



Factoring Policy

Policy Implementation Checklist	
Policy Guardian	Chief Executive
Policy Author	Policy Manager
Policy Title:	Factoring Policy
Approved by Chief Executive on:	March 2018
Approved by Linthouse Management Committee on	March 2018
Effective from:	March 2018
Due for Review on	March 2020
Scottish Social Housing Charter Indicators: Nos 2, 32 & 33.	<p>2. Communication: <i>‘Tenants and other customers find it easy to communicate with their landlord and get the information they need.....and how and why it makes decisions and the services it provides’.</i></p> <p>32. Average Annual Management Fee per factored properties: (I) No. of residential properties factored. (ii) Total value of management fees invoiced to factored owners in the reporting year.</p> <p>0. Percentage of Factored Owners satisfied with the service they receive.</p>
Policy Linkages:	<ul style="list-style-type: none"> • Management Committee Code of Conduct • Staff Code of Conduct • Whistleblowing Policy • Anti-Bribery Policy • Anti-Fraud Policy • Payment & Benefits Policy • Reactive Repairs Policy • Planned and Cyclical Maintenance • Tender Policy • Equality and Diversity Policy • Procurement Policy • Data Protection Policy
Training Completed on:	
Posted on Website on:	
Staff Sign off as Read and Training Completed	
Management Committee Sign off as Read and Training Completed	



Factoring Policy

1. Introduction:

This policy sets out the principles upon which Linthouse Housing Association (LHA) will operate its factoring service.

LHA is a non-profit housing organisation that aims to promote good quality affordable housing to those in need and to work in partnership with the communities it serves.

LHA operates in the Linthouse area of Glasgow and currently owns 1156 units. The Association also provides a factoring service to 519 owner occupiers and 32 commercial units.

Factoring is a property management service offered to owners to co-ordinate and carry out work on their behalf. Factoring services are usually in respect of reactive, cyclical and major repairs, improvements, maintenance, insurance and administration.

Factoring services and responsibilities relate to areas of common land or space as well as to common parts of specific properties.

The Factor is the agent appointed by the **property owners** to carry out a factoring role.

The Association is the proprietor of a number of properties where other proprietors have acquired an interest. In providing a factoring service to these owners we ensure that parts owned in common are satisfactorily maintained.

The underlying aims of providing the service will be to provide a safe, high quality living environment for all occupiers and visitors, ensuring that the fabric of buildings and common areas are maintained to a high service.

2. Legislative Background:

The Property Factors (Scotland) Act 2011 was passed by the Scottish Parliament and came into force on 1 October 2012.

2.1 The Act has three main elements:

- A compulsory register for all property factors operating in Scotland. It is now an offence to operate as a residential property factor in Scotland without being registered. This legislation is designed to regulate the property factoring industry and provide increased protection for homeowners who receive a factoring service.

All property factors in Scotland must register with the Scottish Government and adhere to the Property Factors Code of Conduct. Property factors include land managers operating in Scotland whether they are private businesses, local authorities or housing associations.

2.2 Registration:

LHA is registered as a property factor with a portfolio of 551 units including commercial premises. Our registration number is PF000162.

All Property Factors must provide each homeowner with a Written Statement of Services setting out, in a simple and transparent way, the terms and service delivery standards of the arrangement in place between the factor and the homeowner, which must detail:

- **Authority to Act:** This includes the basis on which an individual or organisation is authorised to act as a factor.
- **Services Provided:** The services they provide in this role and what specific share of costs the owner is liable for.
- **Financial and charging arrangements:** Information regarding financial and charging arrangements, such as how payments by homeowners are collected.
- **Declaration of interests:** A declaration of any financial or other interests that the factor may have (for instance, if the factor himself is a homeowner).
- **How to end an arrangement:** Information on how the factor can be removed if homeowners are dissatisfied with their performance.

2.3 Complaints Procedure:

The Code of Conduct also requires property factors to have an in-house complaints handling procedure in place. A property factor should provide a copy of their complaints procedure and details on how to take your complaint to the First Tier Tribunal for Scotland (Housing and Property Chamber). This was established to investigate and determine complaints by homeowners against their property factor. This is a free and impartial service which the Association will encourage the homeowner to use if the owner has a grievance regarding the factoring service and the Association has been unable to resolve it.

In the majority of cases the Authority to Act is detailed in the Deed of Conditions which also sets out the payments shares and the way in which the management of the common areas will be carried out.

The Association operates its Factoring Service in accordance with the Code of Conduct for Property Factors.

3. Policy Objectives:

3.1 To ensure that the Association meets all its obligations in terms of property law and complies with the standards set out in the Scottish Social Housing Charter, specifically Outcomes 2, 6 and 13:

- **Communication: Outcome 2**
Social landlords manage their businesses so that:

‘ Tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord/factor, how and why it makes decisions and the services it provides’

- **Neighbourhood and Community: Outcome 6**

Social landlords, working in partnership with other agencies, help to ensure, as far as possible that:

'Tenants and other customers live in well maintained neighbourhoods, where they feel safe.'

- Value for Money: Outcome 13

Social Landlords manage all aspects of their business so that:

'Tenants, owners and other customers receive services that provide continually improving value for money for the rent and other charges they pay.'

- 3.2 To comply with the Property Factor (Scotland) Act 2011 including the Property Factors Code of Conduct and all other relevant legislation.
- 3.3 To provide a high quality factoring service, communicating and liaising closely with owners.
- 3.4 To establish accounting practices that are robust and publicly accountable.
- 3.5 To minimise arrears and maximise the recovery of sums owed.
- 3.6 To establish and implement efficient repair and maintenance services including open and accountable procurement and tendering procedures, in accordance with the relevant Deeds of Conditions and in consultation with owners.
- 3.7 To deal with breaches of deeds of conditions as effectively as possible, including liaising with other agencies to use their powers, as appropriate
- 3.8 To arrange and oversee the management, maintenance, general upkeep and any improvements that are required in respect of the common parts of the building, including the cyclical maintenance programme.
- 3.9 To use the delegated authority to instruct minor repairs up to a fixed financial threshold (outlined in our written statement of services – See Appendix 1) for instructing works without reference to the owners concerned or to obtain the necessary authority from such owners where the costs are likely to exceed the authorised amount.
- 3.10 To review the management fee each year, with a view to setting an appropriate factoring management fee.
- 3.11 To ensure the factoring service is self-financing and not subsidised from rental income.
- 3.12 To ensure debt recovery procedures are in place with a view to minimising sums owed to the Association by residential owners.
- 3.13 To be transparent when appointing contractors and detailing costs to owners and ensure that documentation relating to any tendering process is available for inspection by homeowners on request.

4. Factoring Services:

- 4.1 The Association will provide each customer with a Written Statement of Services which will detail the terms and service delivery standards of the arrangement in place between the homeowner and the Association. Our delegated 'Authority to Act' depends on the property and will be established through:

- Authority provided by the Deed of Conditions (A legally binding document between all homeowners and their joint responsibilities for the maintenance and upkeep of the communal areas within a development.)
- Appointment by the housebuilder or developer, with any relevant level of delegated authority for newbuild developments.
- Appointed by a decision of a majority of homeowners.
- Operating as property factor by Custom & Practice

LHA provides a comprehensive property management service which includes the following services.

4.2 Buildings Insurance:

LHA insures all the properties it owns through a block insurance policy. LHA will also ensure that buildings insurance is in place in respect of those owners and sharing owner's properties which are subject to the full factoring service.

Under their occupancy agreement sharing owners are required to participate in our common buildings insurance policy. In certain instances these may be included in the occupancy charge.

Owners are advised to arrange their own contents insurance and information regarding the contents insurance provided by Thistle Insurance is provided. However, LHA is not directly involved in arranging any contents insurance.

If an owner decides to insure their property out with the block insurance policy they must provide each year to the Association as, factor for the property:-

- A copy of the property insurance policy
- Details of the sum insured
- Evidence that the premium has been paid

Under the Tenements (Scotland) Act 2004, this places a duty on each owner to effect and keep in force a contract of insurance against the prescribed risks for the reinstatement value of the owners flat and any part of the tenement building attached to the flat. This safeguards the position of homeowners if another owner in the block has not taken out insurance cover or has an inadequate level of cover.

The Association's interest must be noted on the policy and the insurance needs to cover the full reinstatement value of the property.

Failure to provide this will lead to properties being covered automatically by LHA's block insurance policy. This will include owners who have had insurance lapsed by LHA due to non-payment of premiums.

Premiums, as with other charges, are recharged on a half yearly basis at the end of March and September each year.

The premiums recharged to owners will be based on the annual premium set by the LHA's insurers.

LHA also reserves the right to charge an additional administration fee for administering this service on behalf of owners.

The owner may not be allowed to benefit from insurance cover should the insurance premium on factoring accounts be unpaid.

LHA will administer insurance claims relating to the common parts of a building. Homeowners wishing to make a claim for accidental, malicious and extreme weather condition damage to buildings should in the first instance contact the LHA's Customer Services Department who will pass the details of the claim onto our insurance brokers.

All claims should be notified to the insurance broker as soon as we become aware of them. Only damages over the value of the excess will be claimed. The general excess is £100 for residential properties, £250 for commercial owners and if the claim relates to subsidence the maximum excess is £1,000.

A summary policy schedule will be forwarded to owners annually.

All claims are monitored and a data file is kept on record on LHA's shared drive.

4.3 Repairs:

LHA aims to provide a prompt and efficient repairs service. The main benefit of participating in the factoring service is that common repairs can be ordered and carried out promptly without the need for obtaining prior agreement between residents.

4.4 Common Day to Day (Reactive) Repairs:

LHA shall carry out all common repairs about which it has been notified in the same timescale as defined in the maintenance policy which is in place for rented properties. The response times at present are:

- Emergency Repairs carried out within 4 Hours
- Urgent Repairs carried out within 2 Days
- Routine Repairs carried out within 8 Days

The common parts of the property are outlined in the deed of conditions and include the roof, the close, the backcourt, common boundaries and the tenemental structure. Common repairs are items which will not cause any inconvenience and where there is no risk of damage to tenants or members of the public.

(NB: If the repair is individual to the owner's flat – such as a leaking cistern, central heating breakdown then this is not covered and owner will need to contact their own contractor.) If an owner reports a "common repair" that turns out to be specific to their own property then the cost of the call out of the contractor will be charged in full to that owner.

4.5 Reporting Common Repairs:

Common repairs should be reported to the LHA's offices. The Office has an answering machine operating outside office hours. Messages can be left on the answering machine, or the call out service number given on the answering machine message may be rung in the event of an emergency. The repairs will be carried out by LHA's own in-house tradesmen or approved contractors within LHA's specified response times. Repairs within owners' flats are the responsibility of the proprietors concerned.

4.6 Procedures for Implementing Common Repairs:

The agreed level of delegated authority or threshold for instructing common repair works which allows LHA to act without further consideration to instruct common repairs is where the total estimated cost of the common repair is less than £1,000 per job. (Details of this financial threshold are outlined in LHA's Written Statement of Services). Where it is estimated that the costs will exceed this sum, the Association will obtain 3 quotations for the work concerned. Following analysis of the quotations, the contractor submitting the lowest quote will be deemed to be successful, subject to confirmation that the bid meets the necessary specification. Approval of the majority of owners will be sought.

Owners will then be notified, in writing, of the work specification, the total cost and their share. This approach is to ensure that all common repairs are dealt with efficiently.

Owners will have the opportunity to query the repair work within 7 days of receipt of the letter advising them of the details of the details of the works proposed and costs. Where no response is forthcoming within 14 days, the contractor will normally be instructed to commence the works.

We will inform homeowners of the progress of this work, including estimated timescales for completion, where there has been agreement, and the cost of the repairs is above the level of delegated authority for repairs.

If the proposed works constitute an improvement (e.g. installation of a door entry system) the written consent of all owners will be required.

4.7 Emergency Repairs:

Emergency repairs are defined as repairs that require to be carried out where there is substantial danger to life, health, safety of individuals, security of the home and/or the loss of wind or water tightness of the home.

In the event of an emergency, the Association will instruct the necessary repairs without going through the above procedures.

Where an emergency situation arises out with normal office hours, owner-occupiers should contact the Association's emergency call out service who will in turn arrange for necessary works to be carried out. The contractor carrying out the work, or a representative of LHA will notify the owner as soon as possible that the work is in hand.

Please see Appendix 1 of the 'Written Statement of Factoring Services' document attached.

5. Cyclical Maintenance:

In order to maintain the fabric of all improved properties, LHA will undertake cyclical maintenance to the common areas (e.g. gutter cleaning, close painting etc.)

In recognition that some planned and cyclical maintenance works can be expensive and that owner's may have a difficulty meeting these high costs, owners are given the opportunity to contribute towards a cyclical maintenance fund.

By joining the fund, should any cyclical work be carried out at a homeowner's building then that owner will not be charged for the work at the time the work is carried out.

5.1 Additional Services:

The Association will offer the following additional services, in certain circumstances, at an additional cost to factored owners:

- Grass Cutting
- De Littering
- Backcourt maintenance
- Close cleaning

If an owner opts to have additional work undertaken beyond that relating to their share of the maintenance of the common areas, LHA will consider this cyclical work for their individual property for example:

- External Paintwork (Windows)

Details of the cost of such additional items will be advised to them and their agreement sought prior to works commencing. Owners will be also be required to pay in advance of the works commencing.

If an owner sells then they can only be held accountable for the cost of work instructed or carried out since the last account was issued. They cannot be held accountable for a share of work yet to be instructed.

LHA will review the level of payments for the Cyclical Fund on an annual basis, and shall, on request issue a balance of the account together with the estimated expenditure. The specification for cyclical maintenance will be reviewed in accordance with the Scottish Housing Quality Standard delivery plan.

Planning ahead is a key part of the factoring service and will prove worthwhile over the longer term. Where major works planned are over £1,000 we will consult with owners prior to the works being instructed. The factored owners will be responsible for any administrative charges to pay for the contract preparation and supervision. These will be variable depending on the specialised services required and the level of administration required of the Association.

Where LHA foresees a large item of expenditure it may agree with owners to set up and administer a fund to save towards the cost of the major repair or improvement.

6. Complaints Handling:

Details of the LHA's Complaints Handling Procedure (CHP) are contained within our 'Written Statement of Services', and where there is a complaint about the management of the factoring service this will be dealt with through LHA's CHP.

Where a dispute arises over the maintenance or improvement of the property LHA will refer the decision to an independent surveyor who shall decide on the most appropriate course of action. This will only happen where the costs of the maintenance/improvement works exceed £5,000. Where the costs are anticipated to be below £5,000 the factors decision will be final. The costs of the independent surveyor will be met by the factored owners. The decisions made will be binding on the factored owners within the building.

Under Section 17 of the Housing Scotland Act 2011 a homeowner may make an application to the First Tier Tribunal for Scotland (Housing and Property Chamber) for a determination on whether a factor has failed to carry out factoring duties or to comply with the Property Factors Code of Conduct.

7. The Factoring Service Costs:

LHA provides a comprehensive property management service which includes the full maintaining and inspection service to the common areas. The costs associated with providing these services will be reviewed annually as part of LHA's budget setting process.

7.1 Management Fee:

The costs associated with providing these services will be reviewed annually as part of the LHA's budget setting process. A detailed financial breakdown of charges made and a description of the activities and works carried out will be provided to homeowners in writing at least once per year to ensure that we are complying with the Property Factors Code of Conduct.

LHA aims for the factoring service to be self-financing and the management fee will be set to cover the following illustrative list:

- All communication with owners
- Providing information to solicitors on behalf of owners (i.e. house sales/change of ownership)
- Holding close meetings
- Open door policy for owners to report repairs or discuss factoring issues
- Liaising with owners over complaints relating to estate and neighbourhood issues
- Liaising with external agencies on the owners behalf
- Tendering and contract preparation for responsive and cyclical repairs
- Selection of contractors and leasing with contractors and instructing repairs
- Account administration and debt collection
- Service user consultation
- Supply of copy invoices free of charge
- Preparation of Owners Newsletter
- Administration of insurance claims
- Management of Asbestos

All owners will be given at least one month's notice of all increased charges and these will apply from 1 April of each financial year.

In cases where a commercial unit or former commercial unit spans more than one property deed of buildings (e.g. 1215/1217 Govan Road) the full management fee may be applicable to each unit as per the original make-up of the building.

A reduced management fee will be applied to shared ownership properties. For example, 35% share owners pay 35% of the full charge, 50% share owners pay 50% of the full charge etc.

7.2 Common Repairs Administration:

Owners will be charged for a proportionate share of any repair work carried out and this will be added to any bill issued. The share apportionment for common repairs is normally stipulated with your Deed of Conditions. If the Deed of Conditions does not state how the ownership should be split then costs will be apportioned based on floor space between occupiers.

8. Administration:

Invoices will be issued half yearly in arrears after the period end. All factoring invoices will be payable within 14 days of issue. All owners will be encouraged to pay by monthly standing order in advance of factoring accounts being issued. If unpaid the Association will refer to the Factoring Procedure for the recovery of the outstanding debts.

Invoices will be issued to cover the following periods:

- 1st April to 30th September
- 1st October to 31st March

8.1 Invoices & Receipts:

Invoices will contain details the following charges where these are applicable:

- Management Fee
- Building Insurance
- Cyclical Maintenance
- Repairs
- Environmental Work Costs/Landscaping
- Stair Cleaning
- Secure Parking Bays (Luma Building-for designated holders)
- Close Electricity Costs (as per utility provider)
- Stair lighting Costs (as per Glasgow City Council costs)
- Ad Hoc Costs

All relevant contractors' accounts will be made available to owners for inspection for a period of four weeks following the issue of an account. This is in line with the Property Factors Code of Conduct. LHA will seek to recharge all costs to owners.

8.2 Arrears/Debt Recovery:

LHA has detailed actions contained within the Factoring Procedures for recovering arrears. Those owners in arrears will be advised as per this procedure and arrears recovery action will be taken. LHA will use all legal remedies to recover factoring debts.

Owners will have the same access to welfare rights services as LHA tenants. This advice will assist owners/sharing owners to maximise their income and/or meeting their liabilities.

LHA will adopt a flexible and reasonable approach to ensure that arrears are minimised and outstanding debts are recovered. Failure to pay will ultimately, however, result in debt recovery action via the courts. The Association will have a clear written procedure for debt recovery which outlines a series of steps which it will follow to deal with disputed debts.

LHA will add reasonable costs accrued in the debt recovery process on to the relevant account.

LHA reserves the right to refuse to provide any services other than those it is legally obliged to provide as property manager to owners that persistently refuse to pay their factoring account on time accrue substantial arrears in their account and/or consistently fail to co-operate fully with LHA in keeping their account clear.

8.3 Method of Payments:

Payments can be made by the following methods:

- Via allpay payment card (issued on request) at any outlet displaying a paypoint or payzone logo or online at www.allpay.net
- Post Office
- Standing Order
- Direct Debit
- Personal Cheque
- Bank Transfer
- Over the phone using Debit/Credit Card

9. Communication and Consultation:

Consultation with owners takes place in a variety of forms including:-

- Correspondence and telephone calls
- Meetings – either public or individual as required
- Consultation and notification letters on work required
- Surveys
- Liaison with tenants' panels

LHA recognises the importance of giving owners and potential owners accurate information on the anticipated costs of maintaining the common areas of their property and on their maintenance responsibilities in accordance with their deed of conditions. To assist in this process we will provide the following information;

9.1 Pre - Purchase:

Potential new owners (purchasers) will be provided with information on the factoring costs via their solicitor at that point in time. This information will be building specific.

9.2 Post Purchase:

All new owners will be issued with an owner's pack which will include:

- Written Statement of Factoring Services Insurance Schedule
- Complaints Procedure
- Factoring Policy
- Factoring Procedure
- Promotion of Cyclical Maintenance Fund
- Copy of Latest Owners Newsletter
- Leaflet on the Estate Management Services
- Emergency Contact Numbers List

LHA's Owners Newsletter contains plans for future works, an update on current works and any relevant changes to our policies. This pack is subject to variation.

9.3 Ongoing Information Provision:

- A half yearly owner's newsletter is issued to all owners to their registered correspondence address which contains the latest factoring information.
- Specific factoring information is also issued with each account.
- Our quarterly association newsletter is delivered to all properties in the area.
- Our website at www.linthouseha.com is also updated on a regular basis and contains relevant factoring information.

10. Sale of a Property:

The owner, via their solicitor, shall notify LHA of any change in ownership. LHA will make available to the owner, via their solicitor, all financial information that relates to their account. Any balances due/owed will be paid or refunded at the date of settlement.

When properties are being sold on LHA is normally requested to provide information and copy documentation by the seller's solicitors. Where the LHA is in possession of these an administration fee will be charged for provision of such documentation.

This fee will cover:

- Certificate of Practical Completion
- Completion Certificate/Completion Stamp (Glasgow City Council)
- Building Warrant
- Planning Permission
- Rot, NHBC Guarantees *
- Redemption of Feu Duty
- Building Plans

*Where reports relating to Guarantees are requested, this charge will be increased to cover the additional administration required.

11. Appointment of LHA as Factors:

LHA will take over the factoring of a property where:

- LHA is named in the title deeds
- Linthouse Housing Association has majority ownership or majority owners' agreement
- Operating as property factor by custom and practice (No formal agreement in place)

Owners will be given at least 2 weeks' notice of proposed take-over, to enable them to voice any objections. At the end of this period, the present factor will be notified of takeover, giving 4 weeks' notice.

Thereafter, owners will be invited into the Association's offices to sign a Common Factoring Authority. A copy of the Association's Information Pack for Owners will be issued

12. Data Protection:

We will deal with information about homeowners in line with the General Data Protection Regulations being introduced in May 2018.

13. Monitoring:

Staff will provide a report to the Management Committee 6 monthly regarding the factoring service in November and May of each year and this will include:

- The number of accounts issued
- The value of work invoiced in period
- Income received in period as a % of invoices – Target of 70%
- The value of outstanding accounts
- Detail of legal action being pursued

14. Review

This LHA Factoring Policy will fall within the remit of the LHA Management Committee and will be subject to review every three years or earlier if deemed appropriate.



**Linthouse Housing Association
Written Statement of Factoring Services
Updated March 2018**

Updated: March 2018

1. Introduction:

These are the terms and conditions for the provision of a factoring service to owner occupiers by Linthouse Housing Association Limited, incorporated under the Companies Act (Registered Number SC028161) and having our registered office at 1 Cressy Street, Linthouse, Glasgow, G51 4RB and our Property Factors Registered Number is PF000162.

Linthouse Housing Association Limited is a registered property factor as defined within the Property Factors (Scotland) Act 2011. As a registered property factor, Linthouse is legally required to ensure compliance with the code of conduct for property factors provided for in this act.

The purpose of this document is to detail the role of Linthouse Housing Association as Property Factors on behalf of owner occupiers. It is the Association's responsibility to arrange and oversee the general upkeep of factored buildings, ensure that common parts are maintained to a high standard and that all necessary repairs are carried out.

As required under the Property Factors Code of Conduct, this document constitutes a written statement of services setting out the arrangements in place between Linthouse Housing Association Limited and homeowners.

2. Our Role as your Factor:

Linthouse Housing Association as factor of the property offer the following core factoring services to homeowners in respect of the areas of common ownership and responsibility:

- Instruct and oversee core and common repairs below the threshold levels.
- Manage and administer the common property.
- Ensure that the buildings are adequately insured.
- Administer the common buildings insurance policy and collect premiums.
- Organise repair, maintenance, service and improvements over the set threshold levels, subject to majority owner support.
- Instruct interim work for protection or safety pending a majority decision.
- Carry out major work, if so authorised.
- Enter into contracts with contractors and service providers
- Deal with homeowners communications and enquiries in relation to the provision of our factoring service
- Complete insurance claims relating to common property, where appropriate, under insurance policies placed by Linthouse Housing Association
- Invoice owners for their share of the costs of maintaining and servicing the common parts (currently on a six monthly basis), including stair cleaning (where applicable), stair lighting and common close electricity, backcourt maintenance etc. and recover outstanding balances through effective debt recovery procedures including instruction of legal action.
- Apportion, on the sale of a flat, the costs between seller and purchaser and liaise with legal representatives.

The above list is not intended to be exhaustive, but does provide a general overview of the common repair issues and services to be provided by Linthouse Housing Association.

3. Common Repairs:

Linthouse Housing Association has an approved list of contractors whom we use for all our repairs and maintenance.

Please remember this is only for common repairs. If you have a repair that is individual to your flat such as a leaking cistern, central heating breakdown or something which only affects your flat, this is not covered and you will need to contact your own contractor.

Linthouse Housing Association will undertake repairs up to a total cost of £1,000 without prior consent. For repairs over £1,000 agreement will be sought from the majority of owners at the property.

This approach will ensure that the majority of common repairs are dealt with efficiently.

Each owner will pay their share of the repair.

We expect all owners to notify us promptly of any common property requiring repair or maintenance. Our repairs department will take all common repair enquiries during normal office hours.

You can expect:

- emergency matters reported to us to be intimated to a contractor immediately
- routine repairs to be instructed by us on the same day as your instruction, unless there is a good reason why this is not possible

4. Repair Timescales:

4.1 Target Response Times to Requests for Repairs

- **Common property Emergency repairs within 4 hours.**
An emergency repair is where there is danger to life or the safety of individuals, loss of wind or water tightness or security
- **Common property Urgent repairs within 2 days.**
An urgent repair is a necessary item which will cause considerable inconvenience or where there is a risk to health and safety, security of the property or if there is the risk of damage to the property.
- **Common property Routine repairs within 8 days.**
These are items which will not cause any immediate inconvenience and where there is no risk of damage to tenants or members of the public

4.2 Common Property Repair Timescales:

These are detailed in Appendix: 1 of the written statement of services and relate to specific repairs.

There may be occasions when, due to the availability of goods, materials or specialist labour, it may be impracticable to achieve the above timescales. On these rare occasions, the association will keep you informed of progress.

For out of hour's emergencies, Linthouse Housing Association provides contact details on our out of hour's telephone service. Please call us on 0141- 445 - 4418 and you will hear a recorded message providing details of who to contact out of hours.

Out of Hours calls will be subject to higher than normal rates.

Please consider whether the matter merits emergency attendance or whether it can reasonably wait until the next business day.

5. Buildings Insurance Arrangements:

As your factor we have a responsibility to ensure that each property is adequately covered for Buildings Insurance. We prefer owners to be covered on our block Buildings Insurance Policy, however if you wish to arrange your own insurance you must provide us with a copy of your policy on an annual basis. Your policy must cover your property for **Full Reinstatement Value**.

Each owner will be provided with a summary of cover for their Buildings Insurance. Each property included in our policy is covered for **Full Reinstatement Value**.

If you wish to make a claim on the policy you must contact Linthouse Housing Association as soon as possible.

There is an excess of £100 for each claim. Where the claim is common the excess will be divided between all owners.

Please note that where the claim is for subsidence, ground heave or landslip the excess is £1000 of each and every loss in respect of buildings.

Cover will be removed should factoring accounts remain unpaid.

Owners are responsible for arranging their own Contents Insurance.

6. Landlord Services:

We also arrange for the following services to be carried out on your property:

6.1 Backcourt Cleaning

Our contractors will de-litter and sweep the backcourt area on a fortnightly basis.

6.2 Garden Maintenance / Landscaping (where applicable)

Seasonal communal garden maintenance is carried out fortnightly on an annual basis. Provisions include grass cutting, maintenance of complimentary edged areas, weed control, hedging maintained in a neat and tidy condition as well as a minimum of one visit to maintain any shrub areas.

The charge for the Garden Maintenance is spread over the year.

6.3 Stair cleaning (where applicable)

Where applicable we will arrange for your' close to be cleaned by a stair cleaning company. This is carried out on an agreed close basis and costs are billed on the next available factoring account.

6.4 Authority to Act

Delegated authority to act as factor varies from property to property and will either is;

- through established custom and practice
- via appointment by the house builder or developer, with any relevant level of delegated authority provided within the deed of conditions
- established via the title deeds covering the property

Where the title deeds do not set out all or some of the above they regarded as silent on this matter and the requirements will be determined in accordance with the tenement management scheme under the Tenement (Scotland) Act 2004.

7. Billing and Payment Arrangements:

7.1 Management Fee

Our management fee represents the cost of administering and carrying out the property management services highlighted in this guide. A full description of the management fee, together with all factoring charges currently billed are available on our website at www.linthouseha.com.

The Management Fee covers the provision of the following services:

- all property management administration (instructing repairs, invoicing repairs etc.)
- all communication with owners
- the supply of information to solicitors on behalf of owners (for example, house sales etc.)
- arranging and monitoring cyclical and major works contracts
- open door policy for owners to report repairs or discuss factoring issues
- administration of building insurance, building insurance premiums and building insurance claims
- the supply of copy invoices free of charge
- pre and post inspection for specific repair and maintenance services
- holding close meetings as required

- the administration costs involved in dealing with all other contractors and suppliers involved in the upkeep of the property

The management fee which is currently £108.16 per annum is reviewed annually to ensure that it covers the cost of providing the service. We will continue to make every effort to keep costs low and still provide a good standard of service to our valued customers.

7.2 Rechargeable Common Repairs:

This is your share of all works carried out by either our in house operative or sub-contractors to common parts of your building or surrounding area, which have been invoiced and paid for by Linthouse Housing Association

Common repairs are necessary repairs to maintain the fabric of the building and surrounding walls and paths etc. Attending to these repairs will help keep the building wind and watertight and maintain the value of your home.

Unfortunately, in addition to repairs due to normal wear and tear, repairs can also be due to misuse and vandalism. Where we cannot identify those responsible for the vandalism/misuse we have to share that cost amongst all owners and tenants. Linthouse Housing Association attempts to keep these costs as low as possible by recharging individuals where possible or making insurance claims where the cost of the repair is above the policy excess for each individual claim.

In order to make a successful insurance claim for vandalism, each incident must be reported to the Police. The housing association will require a crime reference number from Police Scotland to enable an insurance claim to be made.

7.3 Cyclical Maintenance:

The Association operates a Cyclical Maintenance Fund Scheme whereby owners pay an annual sum, which covers the costs of all common planned works carried out by the association. By paying on an annual basis you can save money and spread the costs of these essential works over a period of six years.

7.4 Close Electricity Charges:

These charges are levied on the individual properties by Scottish Power (currently) in respect of power used by the door entry system, communal TV aerials and communal extractor fans.

7.5 Stair lighting Charges:

This is a charge made by the City Council to all owners in tenements in respect of the upkeep of the close lighting system. Problems concerning close lighting should be reported directly to City Lighting on 0800 595595.

7.6 Major Works:

These involve the renewal of components of the common property which have reached, or are approaching, the end of their useful lives.

When a major repairs project has been approved by the association's management committee, any owners affected by the project will be advised of it and their share of the estimated costs.

Since the cost involved may be quite high, there will also be consultation on the need for the project and the majority decision on proceeding will be adopted.

Once the project has been approved, accounts will be issued in advance of the work starting and these costs will be required to be paid by owners before work begins.

8. Billing Arrangements:

Our management fee, your insurance premium, cyclical maintenance premiums (if applicable), stair lighting costs, close electricity costs, landscaping costs and any other service costs are billed on a half yearly basis in arrears through your Factors Bill. Bills are issued for periods ended 31 March and 30 September.

Fully itemised accounts are issued to the property address, or alternatively, to a separate forwarding address upon written request.

Any changes to our charges are intimated to our homeowners in the next available account after a review/change to our charges. As our charges are billed in arrears this will be prior to the period where the change to the charges takes effect.

Although your account is fully itemised, if requested, contractor accounts and other supporting documentation are available for inspection for a period of four weeks following the issue of your invoice. A reasonable charge may be applied for this service.

9. Payment Methods:

Your Factors Bill can be paid:

- Via Your Allpay Payment Card
Payment can be made by telephone (0844 557 8321), online at www.allpay.net, via Pay Point outlets or at the Post Office.
- By sending us a cheque made payable to Linthouse Housing Association Ltd
- By Standing Order
- By Direct Debit
- By Bank Transfer (Over the phone by debit or credit card)

9.1 Payment Arrangements:

Your Factors Bill must be settled within our payment terms of 14 days of the issue date (this is clearly marked at the bottom of your account). Linthouse Housing Association has already paid your costs to our contractors and insurers. For us to

continue to pay costs up front we do need you to pay on time. This also helps us to keep costs at the current levels.

Any queries concerning your account must be raised with us as soon as possible to avoid debt recovery action.

If querying common repairs we would be grateful if you complete the query form enclosed with your account and send back to our maintenance department for review.

If you anticipate having difficulty settling your account please contact us to discuss the possibility of us agreeing to an appropriate payment arrangement.

When we have been unable to (a) make contact with an owner, (b) agree a satisfactory payment arrangement, (c) an owner has failed to meet the terms of a payment arrangement, we will instruct legal action or implement other appropriate measures to recover the debt. This will include removal from our communal buildings insurance scheme and we may serve a notice of potential liability against the title of your property.

We will charge a late payment fee of 5% for all debts which are outstanding after the 14 day period.

We will seek to recover all costs in pursuing the debt (our costs, debt recovery agents, solicitors, court fees etc.). Typically, in the event of Linthouse Housing Association taking legal action, costs can add around £350 to the original debt.

Debt action can also affect your ability to obtain credit in the future.

10. Complaints Procedure:

We recommend that you informally speak to a member of staff first of all as the majority of issues can often be solved quickly and easily in this way.

However, should you wish to make a formal complaint then our full complaints procedure is available on request.

In brief though, your complaint should be made in the first instance, in writing to the relevant department.

Once we have received your complaint we will write to you within five working days to tell you of the outcome of your complaint.

If we cannot resolve your complaint, at this stage, we will then write to you again within twenty working days of receiving your complaint to let you know the outcome.

If a settlement cannot be reached at this stage and if it is considered that a breach of the Property Factor's (Code of Conduct) Scotland Order has occurred, then an application may be made to The First Tier Tribunal for Scotland (Housing and Property Chamber) The relevant address is 4th Floor, 1 Atlantic Quay, 45 Robertson Street, Glasgow, G2 8JB. Telephone number is 0141 – 302 - 5900.

The First Tier Tribunal for Scotland has been established to investigate and determine complaints by homeowners against their property factor. This is a free and impartial service which the association will encourage the owner to use if the owner has a grievance regarding the Association's factoring service and the Association has not been able to resolve it.

The owner can make an application to the homeowner housing panel where:

- the owner has notified the association in writing of the reasons why the owner considers the Association failed to carry out its factoring duties or to comply with the code of conduct;
and
- the Association's complaints procedure has been exhausted and the owner believes that the Association has either refused to resolve the complaint or has unreasonably delayed attempting to resolve the complaint.

11. Professional Indemnity Insurance:

Linthouse Housing Association holds professional indemnity insurance to a limit of £10,000,000 per individual claim or series of related transactions or claims.

**Appendix 1: LIST OF TYPICAL DEFECTS AND REPAIRS AND MAXIMUM
TIMESCALE FOR COMPLETION (DAYS)**

<i>Column 1</i>	<i>Column 2</i>
Type of Repair	Maximum Period
Blocked drain	1
Loss of electric power in close or entrance	1
Partial loss of electric power in close or entrance	3
Insecure external window, door or lock in close or entrance	1
Unsafe access path or step	1
Significant leaks or flooding from common water pipes, tanks,	1
Unsafe power or electrical fitting in close or entrance	1
Partial loss of water supply to whole building	3
Loose or detached banister or hand rail	3
Unsafe flooring or stair treads in close or entrance	3