Factoring Service Policy

Document Control

Responsible Person	Operations Director			
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Reviewed by	Board			
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Equalities Impact Assessment	Yes	✓	No	
Added to Company Website	Yes	✓	No	
Associated Documents Considered	Yes	✓	No	

1. Scope of the Policy

1.1. Included within our housing stock are blocks of flats that are of mixed tenure, i.e. there are properties belonging to Waverley Housing, properties belonging to Scottish Borders Housing Association and privately owned properties, and common repairs and maintenance is the responsibility of all parties within these blocks.

1.2. In addition, there are a number of open space/common areas within our stock, some of which we manage (primarily where we are the majority landlord) and we recharge a share of costs for works carried out to owners. There are also common areas within our stock where we are not the majority landlord and where no works are being carried out and where Waverley Housing is looking to offer a factoring service to owners to allow us to manage these areas and recharge owners for a portion of the common costs incurred.

1.3. Waverley Housing is registered under the Property Factors (Scotland) Act 2011. Its registration number is PF000271.

2. Objectives of the Policy

2.1. To clarify Waverley Housing's role and responsibilities to owners, other stakeholders and our tenants where we provide property factoring services. For most owners the main service provided is a grounds maintenance service.

3. Implementation of the Policy

3.1. The aim of our factoring service is to provide a simple, cost-effective way of obtaining agreement and organising common repairs and maintenance, working with home owners, our tenants and other stakeholders, to ensure that areas of common responsibility are well maintained and remain an asset for all parties concerned. We monitor the performance of contractors employed to provide a service to owners e.g. through the use of satisfaction surveys, analysis of complaints. In most occasions, other than in emergency situations, only contractors on our Approved List of Contractors are used.

3.2. We will seek to meet outcome 13 of the Scottish Social Housing Charter which states that Social landlords manage all aspects of their business so that tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

4. Definition

4.1. The Code of Conduct for Property Factors sets out the minimum standards of practice for Registered Property Factors and is prepared in terms of Section 14 of the Property Factors (Scotland) Act 2011.

4.2. In complying with the Code of Conduct, written statements will be prepared for all home owners responsible for sharing the costs of common repairs and maintenance. These statements will state our authority to act as Factor and provide details of the terms and conditions of the services we will provide.

5. Responsibilities

5.1. It is the responsibility of the Operations Director to ensure that this Policy is adhered to. On an operational basis, it is the responsibility of the Head of Property & Assets to ensure our factoring services are provided in accordance with this Policy, the Code of Conduct, Written Statements and any relevant Deed Of Conditions.

6. Monitoring and Reviewing

6.1. Estates Management by Housing Officers will proactively highlight any issues with our factoring services.

6.2. Surveys of all home owners will be issued at least once every 3 years and outcomes analysed with a view to identifying any areas for improvement. We will also provide opportunities for owners to feedback their views on service provided when appropriate e.g. ad-hoc meetings to discuss specific proposals/issues. An Annual Owners Newsletter is provided to each owner as a means of maintaining good communication.

6.3. This Policy will be reviewed in accordance with the Company's Policy review procedure.

7. The Property Factors (Scotland) Act 2011

7.1. The Act came into force on 1 October 2012 and from that date it is an offence to operate as a residential property factor in Scotland without being registered.

The Act has 3 main elements:

1. A compulsory Register for all Property Factors.
2. A Code of Conduct with which all registered property factors are required to comply, and which will set minimum standards of practice.
3. A statutory dispute resolution mechanism to be known as the Housing and Property Chamber (First-Tier Tribunal). Homeowners will be able to make applications to the Chamber if they believe that Waverley Housing as their Property Factor has failed to comply with either our factoring duties or with the Code of Conduct.

7.2. The law on land and property ownership in Scotland was formerly based on the feudal system but the undernoted Acts have reformed this system.

1. Abolition of Feudal Tenure, etc. (Scotland) Act 2000
2. Title Conditions (Scotland) Act 2003
3. Tenements (Scotland) Act 2004

7.3. The Title Deeds are the legal documents which confer ownership and will include a description of the property and land and any conditions or burdens imposed on any owner occupier.

The Title Deeds (also known as the Deed of Conditions) impose a responsibility on the owner to contribute towards the costs of common repairs and maintenance of

land and common pathways, fences etc within the estate on which their property lies. It will also include a legal obligation to pay their share of common repairs to their property.

7.4. Where Title Deeds are silent with regard to owner responsibilities, Waverley Housing will refer to the Tenements (Scotland) Act 2004 for guidance on the owner's rights and responsibilities on how common repairs may be carried out and recharged.

7.5. The owner's Title Deeds describe the action required in different situations. Generally, where an individual's share of the cost will exceed £600 or such sum as increased by Waverley Housing, we have an obligation to write to owners, giving adequate notice of holding a meeting for the owners concerned. Where there is a majority of owners (and voting is required) votes will be based on one per property and the majority vote will carry.

8. Financial Management

8.1. Annual accounts will run in conjunction with the financial year and service users will normally be invoiced in November each year.

8.2. We will take all reasonable steps to ensure collection of accounts for our factoring services in accordance with our debtors control procedure.

8.3. We will charge a Management fee appropriate to the cost of administering and managing our factoring services and this will be reviewed annually.

8.4. Service charges will be based on actual costs incurred in the previous financial year and forecast budget costs for the forthcoming financial year for any common repairs, grounds maintenance, and communal area cleaning. The Written Statements will give a breakdown of all items for which costs are charged. Owners are requested to notify us when selling their property in order that any service charge liabilities can be correctly apportioned between the departing and new owner.

9. Reserve Funds

9.1. Reserve funds allow homeowners to plan ahead for major anticipated works costs such as roof replacement, upgrading of stairwells. Waverley Housing will work with owners interested in setting up such reserve funds.

10. Consultation and Information

10.1. We will ensure that appropriate information on any matter relating to our factoring service is made available to owners and other stakeholders in accordance with our Community Engagement Strategy.

10.2. We will consult with service users on any works identified that are not included in the relevant Written Statements.

10.3. We will consult with home owners and other stakeholders where planned maintenance works are being carried out within their area, to determine if they wish to be party to such works at an agreed cost.

11. Housing and Property Chamber (First-Tier Tribunal)

11.1. In the event of service users wishing to complain about our factoring service, they should in the first instance use our Complaints Policy. Any final response from Waverley Housing will be ratified by the Chief Executive. Should the complainant remain dissatisfied at conclusion of our complaints processing, they will be directed to appeal to the Housing and Property Chamber.

12. Factoring Opportunities

12.1. Waverley Housing will consider approaches from owners or other Factors who would like Waverley to take on the provision of a factoring service to owners. Any such approaches will be carefully considered and subject to a due diligence exercise and Board approval before commencing. Where owners wish to terminate the provision of factoring services from Waverley Housing this will be processed in accordance with the relevant terms of the Written Statement of Services.