



Property Factoring

Our commitment to you

Written statement of service



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Home Group is a leading provider of affordable housing in the UK, managing a wide range of homes for families and individuals throughout Scotland and England.

Homeowners can contact Home in Scotland through the following ways:

Phone: **0345 141 4663**

Email:
PropertyFactoringScotland@homegroup.org.uk

In writing: Home Group
Pavillion 6 Parkway Court
321 Springhill Parkway
Glasgow
G69 6CA

1. Introduction

This document is our Written Statement and sets out the terms and conditions of Home in Scotland Limited's Factoring Services.

The Factor is a professional property manager and will work with you and the other owners in your block or development.

This includes instructing contractors to carry out repairs and maintenance when it is required in the common areas.

Common areas are shared between you and the remaining neighbours in the development.

No matter the type of property, if there are common areas then each owner has a legal responsibility for the repairs, maintenance, and upkeep. They have to pay their share and cannot opt out.

The Deed of Conditions also known as the Title Deeds will determine the share for each owner and describes the areas that are common.

These will also set down the rules for undertaking factoring duties in respect of your property or development.

Put simply

We will work in partnership with our owners and to build a good relationship built on trust.

The legal bit

We are duty bound by the Property Factors (Scotland) Act 2011 and The Code of Conduct for Property Factors to set out our terms and Conditions to homeowners clearly.

We operate as Home in Scotland Ltd, (referred to as Home in Scotland Ltd in this document) and as a registered Property Factor, with property factor number PF000277, and being a Scottish Registered Charity with Charity Number SC005247.

2. Authority to act

As your Property Factor, Home in Scotland Ltd are required to provide you with a Written Statement, The Written Statement is intended to be transparent and easily understood, it has been produced to meet our statutory obligations to you as the homeowner.

Central to the Act is a Code of Conduct for Property Factors which has been developed by the Scottish Government after undertaking extensive consultation, it recognises that Property Factors undertake a complex and wide ranging role.

Home in Scotland Ltd will provide Factoring Services for the common or shared parts on behalf of all owners within the block and/or development where you live.

We were appointed to take on this role as illustrated on Schedule 1, which is attached to this copy of the Written Statement.

2.1 Delegated authority

We also have the delegated authority of the owners within your block or development to instruct and carry out repairs and maintenance to the common parts.

This will only be done if the anticipated cost to each owner of any one item does not exceed the amount stated in your Title Deeds.

Put simply

The Factor manages the common parts on behalf of all owners and can take this burden away from the owner.

The legal bit

Within your Title Deeds, or Deeds of Conditions there is a burden which obligates each owner to contribute towards the upkeep of the common areas of your block or development.

We provide factoring services to homeowners in Scotland under the terms and conditions set out in this Written Statement and the requirements of the Property Factors (Scotland) Act 2011 and its Code of Conduct.

This statement should be read with the accompanying schedules which are specific to your block of flats or development.

3. Core services provided

Where appropriate for your development, we will offer either a grounds maintenance or a common areas cleaning service or both.

Schedule 2 included with your Written Statement sets out the details of the core services provided to your block/development.

This includes:

- Grounds maintenance
- Repairs to common areas
- Communal cleaning
- Property inspections

The work will be carried out by our approved contractors on a regular basis.

3.1 Grounds maintenance and cleaning

Grounds Maintenance work may include but is not limited to:

- Grass cutting - up to 10 cuts per year
- Sweeping/litter picking
- Attention to shrubbed areas/hedges
- Dealing with fly tipping

Communal cleaning may include but is not limited to:

- All communal floor surfaces to be cleaned, including deep cleaning when required
- Painted surfaces to be dusted or washed down
- Windows and glass to be cleaned
- Removal of any graffiti
- Removal of any litter

3.2 Property inspections

We will carry out an annual inspection visit to check the general condition of the block and/or development and take note of any repairs required, this will be a non-technical visual inspection only.

Our inspections are not risk assessments of the development and do not constitute a survey.

3.3 Fees/charges

We charge all owners a management fee for the services we provide and details of this along with payment frequency are detailed in Schedule 1.

The fees are reviewed annually, we will notify owners of any increase no later than 27th February of each year, with any increase taking effect from 1st April of that year. Any fee review, inflation, general cost increases and the cost of providing the services will be taken into account.

Put simply

The Factor acts as a single point of contact for reporting any repairs or maintenance and implements and manages any contracts for such things like gardening or cleaning.

The legal bit

As an owner occupier you are responsible along with the other owners in your management area to contribute to these services. Our tenants contribute to any costs through rent and service charges.

You are legally obliged to contribute to these costs and these obligations are detailed in your Title Deeds.

If you are unsure about what's in your Title Deeds, you may want to speak to your solicitor. It doesn't matter if the common area isn't right next to your home, if it is in your management area, then you are legally bound to contribute towards the costs incurred.

4. Repairs and maintenance

Home in Scotland Ltd as the Factor have delegated authority on behalf of all our owners to instruct and have carried out any required repairs and maintenance to the common areas of the property which are under the delegated authority as detailed within your Title Deeds.

Homeowners can also report repairs to us quickly by telephone, in writing or online, when calling to log a repair please only give the building address and not your flat position.

Where the repair is above the delegated limit it shall be instructed and carried out only where it has been agreed by a majority of owners, we reserve the right to seek payment in advance in these circumstances.

PLEASE NOTE
We do not carry out repairs within your home.

4.1 Types of repair

Emergencies – we expect emergency/urgent repairs reported within office hours to be attended to within 6 hours of notification and that homeowner will grant the necessary consent for access to address any emergency issue.

Routine repairs – we expect reported routine repairs to be attended to within 14 calendar days of notification.

Planned maintenance - includes such things as cyclical painting, replacement door entry systems or other items that may need attention over a period of time to maintain the quality of the block/development, we will provide information regarding this to you within an appropriate timescale.

Our Out of Hours service is for emergency repairs only. An emergency repair would only be carried out if the issue would seriously affect the property structure, security or constitute a danger to health and safety.

Timescales to complete repairs or works will depend on the type and scale of work required. Repairs may take longer if for example, the contractor has to order spare parts or a specialist is needed, or if there is a dispute over the cost of the work from owners.

In the event of a public health emergency, our repairs and response times maybe affected and we will update you with appropriate timescales.

If we think work will take longer than our targets above, then discussions will take place with homeowners as part of any consultation.

This service is subject to health and safety considerations in stormy weather or dangerous conditions and operates on the basis of 'making safe' rather than a full repair provision.

All other repair requests should be made within office hours.

Home in Scotland Ltd will ensure all contractors employed have Public Liability Insurance and will pursue the contractor or supplier to correct faults or defects due to inadequate work or service provided.

Homeowners can request to inspect any major works documentation relating to any tendering process. If you are concerned about how long a repair is taking, or if a repair is not carried out to your satisfaction, please tell us using the contact details at the start of this Written Statement.

Put simply

Our repairs services only carry out work on the common parts of your building or development, we do not carry out repairs inside your property.

The legal bit

When we carry out a repair to a common area of the building or development, as detailed in your Title Deeds or Deeds of Conditions you are obligated to contribute towards the cost of the repair. Occasionally, due to the cost of the repair we may ask for payment upfront before the work is carried out. Where an owner does not pay, we will follow our debt recovery process to recover any outstanding payments.

5. Insurance

The Title Deed of your property may provide a communal building insurance policy that is provided by the factor, this requires to be in place on behalf of all owners within your block or development.

We will therefore automatically arrange this for you under the Home in Scotland Block Insurance Policy. Should you have your own buildings insurance we will require the most up to date copy of the policy to enable us to remove you from our policy.

Notifications of sums insured may not reflect current reinstatement values. We will not carry out insurance revaluations on your property.

If you opt out of Home Group's block insurance policy, it is your responsibility to ensure the property you own is insured for full reinstatement value.

If homeowners vote by requisite majority to have an insurance valuation of the block/development carried out for insurance purposes, Home in Scotland Ltd will arrange the same and bill homeowners an equal share of the cost.

Details of the insurance provider for your block/development are provided in Schedule 4, along with details of how the premium is calculated, any excesses and charges which apply.

We will send out an annual schedule providing a summary of the key facts of the insurance policy, but full details can also be made available on request.

If you wish to opt out of the block insurance policy maintained by us and arrange cover for your own property yourself, you must notify us within 14 days of being enrolled into the block insurance policy and provide us with evidence of alternative adequate insurance and together with evidence this insurance is being maintained.

Your insurance must cover a share of the common parts of the building/development of which your property forms a part.

The legal bit

There is an obligation on each flat owner to effect and keep in force a contract of insurance against the prescribed risks for the reinstatement value of that owner's flat and any part of the tenement building attaching to that flat as a pertinent as set out in the Tenement (Scotland) Act 2004.

If you have a mortgage, its terms will require you to carry adequate insurance.

If you don't have a block insurance policy, you can be required, on 14 days' notice, to show your co-owners evidence that you have sufficient common buildings insurance.



6. Financial and charging arrangements

6.1 Management fees

We charge all owners a management fee for the services we provide. Our management fee is indicated on Schedule 1 enclosed with this Written Statement.

This fee includes but is not limited to:

- Title research and preparation of any ground maintenance plans
- Calculating shares due by owners
- Obtaining and maintaining software to coordinate the provision of the service
- Communication with and between owners and external agencies/providers
- Maintaining accurate property repairs records
- Issuing annual/quarterly invoices in advance
- Recording payments made and received and recovering charges in relation to each owner

In addition, the charges also cover the following administrative tasks in relation to repairs, maintenance and improvements:

- Instructing contractors to carry out work
- Consulting owners in respect of repairs costs in excess of the limit on your Title Deeds
- Tendering and obtaining estimates

Discussions and correspondence with owners regarding repairs.

The fees are reviewed annually this is based on a number of factors such as staff costs, business and overhead costs and inflation. We will notify owners of any increase no later than 27th February of each year, any increase will take effect from 1st April of that year.

6.2 Apportionment of costs between owners

You are responsible, along with the other owners in the block or development for a share of the costs of the maintenance and repairs carried out to the common parts or common areas and also for any charges for outgoing of water, electricity, fuel, telephone and other utilities payable in respect of the said common parts.

Your share is charged in accordance with your Title Deeds or the Tenement Management Scheme provisions of the Tenements (Scotland) Act 2004, or on some other equitable basis.

Details of the apportionments relevant to your property are set out in Schedule 3 of this Written Statement.

6.3 Missing shares

In October 2018, the Scottish Government passed new legislation which granted Registered Social Landlords (RSL) powers to pursue owners who refused to pay when work had been carried out to the communal areas of their block, which had been carried out following the correct consultation process. The guidance can be found here www.gov.scot/publications/missing-shares-powers-guidance/

It states "Where an RSL owns part of a residential building, they have an interest in works on parts of the building that are the shared responsibility of all owners".

As owners themselves they have rights to participate in decisions about common works. Decisions about common works are usually made by a majority of owners. Where the RSL is a majority owner or where they can form a

majority with other owners, they are entitled to carry out common works and charge each owner for their share of the costs.

Legislation made by the Scottish Parliament in 2018 introduces new powers that allow RSLs to register a repayment charge against the property of an owner who is unwilling or unable to pay for their share of the common works.

This is referred to as the "missing share power". The charge is registered in the appropriate land register, and usually will mean that the sale of the property will not take place until the debt is repaid as the new owner will not want to take responsibility for the repayment. This power is intended to help RSLs to carry out common works by making it easier to recover costs from other owners.

6.4 Invoicing and billing

We will issue you with an invoice quarterly in January (1st January to 31st March), April (1st April to 30th June), July (1st July to 30th September) and October (1st October to 31st December) each year. Or annually in April (1st April to 31st March) for our services.

Our invoices require to be paid within 30 days.

Where an account remains unpaid after 30 days a late payment charge of £20 will be applied.

Where accounts are not paid in full or by negotiated payment arrangement this will have an impact on services provided and we may not be able to carry out major repairs.

The frequency of how you will be invoiced is also noted in Schedule 1.

On an annual basis between August and September we will carry out a reconciliation exercise which will take into account any under or overspending.

Each homeowner will receive a statement detailing all works which have been carried out. If any works fall outside of our level of delegated authority, or if we agree to carry out services

or works outside of the core services detailed in Schedule 2, we will ask homeowners to pay their share in full, this may be before the work starts.

If this situation arises all details of charges and payment terms will be included in proposals issued to all affected owners before any work starts.

Any additional Invoices will be raised as required with payments being due within 30 days of the date of the invoice.

Such invoices are payable by the owner of the property.

If a homeowner privately lets their property (residential property or commercial), we will pursue and take enforcement action against the homeowner, not their tenant if payment is not forthcoming within the stated time limit.

If payment for an invoice is not received within 30 days, there will be a late payment charge applied to cover our additional administrative costs in recovering the sums due. Details of this are set out in Schedule 5.

The charge will be an estimate based on the cost of delivering services in the previous year. Requests made to us for copies of documents may incur a charge of £10 per document up to a maximum charge of £30.

7. Debt recovery

Home in Scotland Ltd will engage in robust and timely recovery practices to ensure the settlement of outstanding balances is achieved at the earliest possible opportunity.

Debt prevention and recovery is a key business objective in ensuring Home in Scotland Limited's financial viability.

Non-payment of accounts will increase your liability through additional fees.

We will take reasonable steps to ensure all homeowners are contacted and contribute to the costs of services provided.

Home in Scotland Ltd will always act reasonably.

When owners fail to pay their accounts, this may prevent Home in Scotland Ltd delivering or instructing repairs or providing services on behalf of owners.

We may, as a last resort, redistribute the costs of unpaid accounts amongst other owners, where the title deeds permit.

Should this ever apply, it will be confirmed in writing to all homeowners within the block or development.

The Property Factors Code of Conduct assumes there is a mutual obligation from both factor and owner, this can only be effective when owners acknowledge responsibility for their property.

7.1 Debt Recovery Procedure

Our debt recovery is managed by our Factoring Coordinator who will utilise the additional services of Solicitors and Sheriff's Officers.

1. Quarterly invoices are issued In January, April, July and October each year
2. Annual accounts are issued in April each year
3. Where additional work has been carried out, we will issue separate invoices for this
4. All invoices issued are due for payment within 30 days of issue

Our full Debt Recovery Procedure can be found in Schedule 5, costs noted there in are indicative and are subject to review on an annual basis.

Put simply

We have a robust debt recovery process in place, which allows us to pursue outstanding debts.

Non-payment of accounts can lead to us not being able to carry out repairs or planned work to the common parts of your building or development.

The legal bit

When we register a Notice of Potential Liability as part of the legal process this will affect your ability to sell your property until the debt is cleared.



8. Communication and consultation

We aim to be clear and transparent in all of our communications with owners. We will not provide information that is misleading or false.

We aim to issue a full response to any correspondence you send us by letter or email within 10 working days.

If we cannot do this, we will acknowledge your communication and give you an indication of when you can expect a full reply.

8.1 Consultation with owners

We aim to consult with owners regularly to ensure that we provide a high standard service and value for money.

It's important to us that you're satisfied with the service provided. If something has not lived up to your expectations about a particular aspect of the Factoring Service, then please get in touch with us.

For the purpose of instructing Home in Scotland Ltd on factoring matters, each owner in the block or development has one vote for each property they own, which is occupied either by the owner, tenant, or is unoccupied.

If the Title Deeds for the block or development allocate votes on factoring or carrying out maintenance or repairs in a different way, we will adhere to those provisions in carrying out services or works.

Where a property is owned by more than one person and the owners cannot agree, that vote is disregarded.

Where the ownership of the property is shared between Home in Scotland Ltd and the owner, Home Scotland will be entitled to cast the vote relating to that property where the sharing owner has not cast a vote.

8.2 Complaints

We understand that it may be necessary to make a formal complaint when you are not happy with the services provided or works undertaken.

The procedure we will follow to resolve your complaint will comply with Home in Scotland Ltd's Complaints Handling Procedures, which are detailed in Schedule 6.

Copies of our policies can be requested in writing by a homeowner, we will respond to such requests within 20 working days.

9. Declaration of interest

Home in Scotland Ltd confirms that it owns properties within the block or development which is factored.

The Property Factors (Scotland) Act 2011 requires Home in Scotland Ltd to provide information to the Scottish Government on the properties they provide factoring services to. This will result in certain information being published and made available to the public.

By appointing us on the Terms and Conditions within this Written Statement, the owner agrees to this publication.

10. Ending the agreement

If there is no specific provision within the Title Deeds for dismissing a factor, then dismissal can be done by a majority vote of owners in the block or development.

In each case, no less than three months written prior notice must be given.

Within three months of termination we will provide all financial information that relates to the homeowner's account – unless there is a good reason not to (for example, awaiting final bills relating to contracts which were in place for works and services).

Unless the Title Deeds state otherwise, we will return any funds due to owners (unless there is any outstanding debts) automatically at the point of settlement following a change of ownership or Property Factor.

General enquiries

If you have a general enquiry about the service we provide at your development, you can contact us on one of the following options:

Telephone: 0345 141 4663

Email: PropertyFactoringScotland@homegroup.org.uk



www.homegroup.org.uk/contactus

Home Group Limited is registered under the Industrial and Provident Societies Act 1965 (Registration Number 1935R(S)) and is a Registered Social Landlord under the Housing (Scotland) Act 2001 (Scottish Housing Regulator Number HAL90). Home Scotland Limited is also a Registered Scottish Charity (Registration Number SC005247). Our registered office is 20 Harvest Road, Newbridge, Edinburgh, EH28 8LW. Home Scotland Limited registered with the Scottish Government as a Property Factor (Registration Number PF000277)