

## **SOUTHSIDE FACTORING AND RELATED SERVICES**

<b>Policy Name:</b>	Factoring Policy
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### **1.0 AIM**

1.1 Southside Factoring and Related Services Ltd aims to provide an excellent factoring service to owners of flatted properties.

### **2.0 OBJECTIVES**

2.1 The objectives of the service are to:-

- Deliver a service that achieves high levels of customer satisfaction
- Meets all Regulatory and legal requirement
- Supports the management of local neighbourhoods
- Improve and enhance the local environment
- Complements the role of the housing association

### **3.0 DESCRIPTION OF SERVICE**

3.1 Southside's Factoring Service may feature all or some of the following services

#### **3.1(a) *Buildings Insurance***

The buildings insurance policy will be competitively tendered through a broker to ensure value for money. It will be tailored to reflect the re-instatement value of the property.

#### **3.1(b) *Ancillary Services***

The following Ancillary Services are provided with unanimous agreement from owners or if there is obligation to owners specified within the Deed of Conditions.

- Close Cleaning
- Bin Store Cleaning
- Window Cleaning

- Back Court Cleaning
- A concierge service is provided to a number of buildings where relevant.

### 3.1(c) *Repairs and Maintenance*

A maintenance regime will be put in place for each group of properties managed. This will include a system for emergency and reactive repairs and a programme of planned and cyclical work which will include:-

- Paint Work
- Gutter Maintenance
- Management of Water Storage
- Asbestos Management
- Servicing and Maintenance of Fire Safety Equipment and Man Safe Equipment
- Lift Maintenance and Servicing
- Other necessary servicing of equipment.

### 3.1(d) *Maintenance Plan*

Each block will have a Maintenance Plan which will provide guidance to owners on common repair liabilities.

### 3.1(e) *Maintenance fund*

Where there is support from owners SFARS will establish a Maintenance Fund for the building.

### 3.1(f) *Financial Management*

All funds held in trust will be accounted for and clearly identified. Cyclical, Sinking and Long term funds will be held in a separate bank account for each group of owners with an annual financial statement being issued to owners. All short term maintenance funds will be held in a separate interest bearing bank account with a statement being issued upon request.

### 3.1(g) *Invoicing*

Monthly Factoring Invoices issued to owners will be clear and transparent.

### 3.1(h) *Debt Recovery*

SFARS Debt Recovery Policy can be viewed on our Website at [Southside-ha.co.uk](http://Southside-ha.co.uk).

### 3.1(i) *Complaints System*

There will be a clear system for resolving disputes and redressing complaints and will be consistent with the First-Tier Tribunal for Scotland (Housing and Property Chamber)

### 3.1(j) *Consultation and Participation*

SFARS Factoring Service will promote opportunities for consulting with owners on a regular basis on how to best manage properties with a view to demonstrating value for money and providing transparent and concise information. This will include:-

- Face to face meetings
- Owners' close meetings
- Use of Social Media (Website, Twitter, Face book)

### 3.1(k) *Community Control*

In addition as part of a community controlled Housing Association the Factoring Service will consult with owners and promote opportunities for owners to participate in the governance arrangements of the Housing Association and its Subsidiary.

## **4.0 HOW WE ESTABLISH THE FACTORING SERVICE FOR EACH BLOCK**

- 4.1 The terms of the Factoring Service for each block of properties will be established in the Written Statement of Service which will be guided by the Title Deeds. If required the Tenement Management Scheme or Majority Agreement from owners will be utilised (if the Deeds are silent or not relevant to current circumstances).
- 4.2 Every owner will have a detailed Written Statement of Service for just their block and this will set out the authority to act on behalf of the homeowners as a group. It will also, where applicable, be a statement of the level of any delegated authority such as financial thresholds for instructing works, and situations in which SFARS may act without further consultation. It also provides information on how the repairs and service costs will be allocated.
- 4.3 It will include the core services that SFARS provides and target times for taking action in response to requests for both routine and emergency repairs along with the frequency that property inspections will be carried out.

## **5.0 REGULATION**

- 5.1 Factors have to register with the Property Factors Registration scheme. SFARS will follow procedure consistent with the Code of Conduct prepared in terms of section 14 of the Property Factors (Scotland) Act 2011
- 5.2 The Code of Conduct sets out the minimum standards of practice for registered property factors and is one of the three main elements to the Act. The other two elements require that all Property Factors operating in Scotland:-
- Register with the Property Factors Registration Scheme
  - Have a complaints procedure consistent with the dispute resolution mechanism of the First Tier Tribunal (Housing and Property Chamber)

## **6.0 RELATIONSHIP BETWEEN SOUTHSIDE FACTORING AND RELATED SERVICES AND SOUTHSIDE HOUSING ASSOCIATION LTD**

- 6.1 The Factoring Service is run by a subsidiary, SFARS Ltd, wholly owned by Southside Housing Association (SHA). In terms of corporate governance and compliance with companies standing orders SFARS is governed by a Board of Directors.

The Factoring Service to owners will complement the Association's core housing role and the property specialisms within the core Housing Service will support the services to owners. In many cases SHA will have no direct ownership within the block and the relationship with the individual owners will be set out in the Written Statement of Service and the individual contract referred to as the "factoring agreement" In some cases SHA will have direct ownership of some of the properties in individual blocks. The Association may be a majority or minority owner in these circumstances. Where SHA is an owner of properties as well as being the Property Manager it will have clear policies and procedures to ensure that there is a separation of these roles. This will include:

- Ensuring that all repairs, services and other costs are allocated on a fair, equitable and transparent basis. All costs will be allocated in accordance with the Title Deeds for the relevant property. If the Title Deeds for different properties conflict, are silent or not relevant, then the "Tenement Management Scheme" procedures will be followed.
- All owners are consulted in a manner that is consistent with the Title Deeds, Written Statement of Service and if relevant the Tenement Management Scheme under the Housing (Scotland) Act 2016

## **7.0 MEASUREMENT OF SERVICE – EVALUATION AND IMPROVEMENT**

- 7.1 Southside Factoring Service will be committed to continuous improvement and evaluation. This will include:
- The monitoring of regulatory guidance and updates and the following of any published good practice guidance and reports.
  - The use of comparative data on pricing standards and performance such as the Scottish Housing Network Benchmarking data.
  - The Factoring Service will seek customer feedback through:
    - Quarterly customer satisfaction cards
    - Recording patterns of complaint on the formal complaints system
    - The Factoring Service will commission periodic customer satisfaction surveys
    - Where appropriate, consumer panels and /or similar will be established
- 7.2 SFARS will be audited by an external auditor on an annual basis, and the Factoring Service will be included in SHA's programme of Internal Audit.