



POLICY

FACTORING

Registration no: PF000109

POLICY REVIEWED November 2023

Wellhouse - The Place To Be

Policy Created	September 2016, Reviewed December 2020, Reviewed November 2023
Date of Next Review	December 2026

The Policy is available on the Association's website. Customers will be provided with a copy of this policy. We will provide this policy in specific formats as requested. i.e., tape, Braille or another language.

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1. Vision and values

Wellhouse – the Place to Be.

This simple statement is our vision of Wellhouse as an attractive place where people feel happy and safe, benefit from having a good home and an attractive environment and feel proud to be part of a vibrant community.

We believe that our values of **Trust, Honesty and Integrity, Excellence, Accountability and Sustainability** supported by a comprehensive policy framework will help make our vision a reality.

2. Governance

Wellhouse HA is a community controlled registered social landlord and is managed by a group of local people who are elected onto the Management Committee. Their role is to make sure that the Association is well run, meets the needs of the local area and is responsive to what is important to local people.

The Management Committee appoints senior staff, agrees all the Association's policies and takes all the key decisions. The Director and the senior team support the Committee in these responsibilities.

3. Policy Aims

Our factoring policy supports our commitment to ensuring Wellhouse is a safe and attractive environment.

We will deliver an efficient and excellent repair and maintenance service to customers and factored owners.

The Association hopes to provide a factoring service to owners whose properties fall within its area of management. The Association will provide the highest possible standard of service to owners, while ensuring that such provision is always practical, legally compliant and cost-effective.

In line with our vision of making Wellhouse the Place to Be we want to ensure that all properties and common areas within the estate are adequately maintained and ensure we have positive relationships with local owners

4. Equal Opportunities Statement

We aim to ensure that all services, including the delivery of this policy, provide equality of opportunity.

We will respond to the different needs and service requirements of individuals. We will not discriminate against any individual for any reason, including age, disability, gender re-assignment, marriage, civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation, or other status.

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5. Scottish Housing Charter

The Scottish Government's Social Housing Charter came into force in April 2012. The Charter sets out the standards and outcomes that Registered Social Landlords should achieve.

There are four outcomes under the Charter that are especially relevant to our factoring service, these are:

Outcome 1: Equalities

Social landlords perform all aspects of their housing services so that:

- every tenant and other customer has their individual needs recognised, is treated fairly and with respect and receives fair access to housing and housing services.

Outcome 2: Communication

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, how and why it makes decisions and the services it provides.

Outcome 3: Participation

Social landlords manage their businesses so that:

- tenants and other customers find it easy to participate in and influence their landlord's decisions at a level they feel comfortable with.

Outcome 13: Value for money

Social landlords manage all aspects of their businesses so that:

- tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

6. Legislation

The following legislation is relevant to this policy:

The Property Factors Act 2011
Property Factors (Scotland) Act 2011
Housing (Scotland) Act 2014
The Equality Act 2010
Housing (Scotland) Act 2010
The Abolition of Feudal Tenure (Scotland) Act 2000
Housing (Scotland) Act 2001
Title Conditions (Scotland) Act 2003
The Tenements (Scotland) Act 2004

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The Housing (Scotland) Act 2006

7. Our principles and standards

The factoring policy supports the Associations commitment to

- the highest possible standard of service to owners,
- ensure the service is easy to use for customers,
- is legally compliant.
- is cost effective and value for money.

We will ensure:

- that owners know who to contact in the Association.
- that owners are fully aware of their and our responsibilities in regard to factoring and title deed conditions.
- that we demonstrate open, fair and accountable charges for the services provided.
- that we recover charges in a fair and consistent manner
- that we ensure we have good communication with owners
- that staff fully understand their roles.
- that our recording and administration systems are adequate
- that we report to our Management Committee on a regular basis

8. The Policy

The Factoring Service

Our factoring service might differ from property to property but will include the following as necessary and or appropriate:

- Instructing common reactive maintenance and repairs
- Planning for, arranging and overseeing cyclical maintenance and major repairs.
- Co-ordinating environmental maintenance and services
- Ensuring comprehensive buildings insurance for the full rebuilding value
- Providing management and administration services

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- Maintaining a list of approved contractors
- Provision of regular information and consultation
- Apportioning costs and liaising with solicitors regarding sales and re-sales

Statement of Services

Each owner will receive a Statement of Services which will describe the following.

Section A– Authority to act

Section B Services provided, including insurances, carrying our repairs.

Section C Financial & charging arrangements.

Section D Communication arrangements, including debt recovery.

Section E – Declaration of interest

Section F – How to end the agreement.

Annex 1 – Extracts from the Property Factors (Scotland) Act 2011

Annex 2 – Summary of building insurance cover

Annex 3 – ‘How to pay your rent or factoring...’ leaflet.

Annex 4 – Complaints Procedure

Annex 5 Scottish Governments Code of Conduct

Common Reactive Maintenance and Repairs

The Association will carry out common repairs to items such as the roof, the close, backcourts and the tenement structure. Target times for dealing with reactive repairs to common areas are:

Emergency	4 hours
Urgent	3 working days
Routine	10 working days

Cyclical Repairs

Cyclical repairs are carried out by the Association on a planned, regular basis to prevent a property from falling into a state of disrepair (e.g., close-painting, roof-anchor testing, gutter-cleaning, etc.).

Planned Maintenance

The Association has developed long term plans to replace common elements of our buildings as they age, for example, roofs and close windows. These plans are available to commercial and owner occupiers. Planned maintenance may involve replacement of close windows, doors, etc.

Where planned maintenance is for the replacement of common elements of the buildings for example roof replacement then we will consult with owners a minimum of 3 months in advance. There may be circumstances where to take advantage of Scottish Government or

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Local Authority grants, we seek owners' agreement to carry out repairs without 3 months' notice.

Environmental Maintenance and Services

Costs will be recharged on a pro-rata basis to all properties liable to pay a share of the upkeep (e.g., grass cutting, de-littering and general maintenance of common areas).

The cost of the electrical supply for common services (e.g., stair-lighting) will be recovered at cost on a pro-rata basis. This will apply to other common services such as close-cleaning, controlled door entry systems etc.

Buildings Insurance

The Association will comply with the property's Deed of Conditions to ensure that the buildings they manage are adequately insured to cover the full rebuilding of all common parts of the building in the event of fire, storm, flood or other major disaster.

Cover will be arranged via a reputable insurance company, at the most competitive rate available for the appropriate level of cover. The Association will co-ordinate any claims to be made via the Common Buildings Insurance Policy and inform the owners of the outcome.

Buildings Insurance will automatically be arranged for all owners. Owners should note that they require separate home contents insurance.

Selecting our Contractors

We will Competitively Tender per main trade for inclusion to our Approved List of Contractors; this will be retendered regularly to ensure competitive pricing. Each contractor will be required to assure the Association that

- they have necessary insurances (annual check)
- their hourly rates are competitive and that they charge reasonable rates for materials
- they are members of appropriate trade bodies (annual check)
- they have appropriate trading body certification (annual check)
- they have an adequate labour force
- they have an appropriate equal opportunity policy
- they can supply good references
- they disclose relationships with staff or committee (annual check)

Management and Administration

A management fee will be charged for the provision of the factoring service. The following tasks are some examples of the tasks covered by the management fee:

- staff time in inspecting and organising repairs,
- tendering,
- writing to owners,
- calling and attending meetings and maintaining adequate records
- administering the common buildings insurance policy, making claims, etc.;

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- printing, postage and delivery of letters and newsletters
- issuing invoices, maintaining accounts, monitoring and recovery of arrears
- liaising with solicitors in sales and re-sales and providing relevant information

There may be additional insurances, the costs of these will be recovered from owners.

We will review our management and other charges annually which will be applicable from 1 April every year and give owners 4 weeks' notice of any change in management charges

Allocation of Common Repair costs and other charges

Owners will be told at the outset of any factoring agreement what type of charges we will make and what their share of any charges are. These will be as outlined in the Deed Of Conditions unless otherwise agreed.

We will consult with owners when carrying out any work to common areas for which their charge will be over £100.

Payment of Factoring Charges

All charges will be in advance with the exception of any reactive repairs that will be chargeable in arrears. Copies of relevant contractors' accounts will be made available to owners upon request. Invoices will be issued monthly until 31 March 2024 when invoices will be issued quarterly with payment due within 28 days of the invoice date. However, in cases of genuine difficulty, or at the Association's discretion, the Association may make payment arrangements to suit individual circumstances.

The Association will offer various methods of paying factoring charges to suit individual preference. They are:

- Direct Debit
- At any Paypoint terminal or Post Office using your Allpay card
- Pay at our offices at The hub, 49 Wellhouse Crescent
- Via the internet at www.allpayments.net
- Standing Order (a form can be downloaded from the website)
- Through Internet Banking – to Wellhouse Housing Association, Sort Code: 82-64-28 Account No: 40086946 and quoting your 'Customer Number' as the reference
- By telephone: Have your Allpay card to hand and call 0141 781 1884 during office hours or to 0844 557 8321 outwith office hours
- Text Message – Register online at www.allpayments.net/textpay/logon.aspx and follow the instructions
- Allpay Telephone App – Download the app available for Apple and Android smartphones and follow the instructions. More info available at www.allpay.net/app

We may undertake repairs that are not covered by the factoring service on request, which will be charged separately (e.g., annual gas servicing). We request payment in advance of the works being authorised.

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Arrears Control and Recovery

Owners are in arrears if they do not pay their account in full within 28 days of the invoice date, unless they are maintaining an agreed payment arrangement.

The Association will request payment from owners in regard to factoring arrears by way of reminder letters, phone calls, text messages and visits and may also seek to offer assistance and negotiate mutually acceptable payment arrangements, where appropriate.

However, in the event that payment is not made or an arrangement is not satisfactorily maintained the Association will take court action to recover debts, with any solicitor, court and other costs incurred by the Association being added to the original sum. In addition to letters and visits, other recovery methods may include the use of solicitors, Sheriff Officers, recovery decrees, property inhibitions, arrestment of bank account or wages and sequestration.

Recovery procedures will be agreed and monitored by the Committee. The Director will have delegated authority to take action to court stage, ratification from the Committee will be required prior to implementation of court decisions, which will always be a last resort.

Where an owner has outstanding factoring arrears and no payment arrangement, further works may not be undertaken on their behalf unless an agreed element of the cost is paid in advance or a satisfactory arrangement for the arrears is agreed.

Staff Roles and Responsibilities

The Finance & Corporate Services Manager will have overall responsibility for the management of the factoring service. Other members of staff will also be responsible for various elements of the service provision

Title	Responsibility
Finance Officer	Issuing Invoices / Recharges
Housing Officer / Assistant	Account Enquiries and Account Management
Maintenance Officer	Maintenance & Repairs
Housing Officer / Assistant	Estate Management
Housing Officer	Complaints

The Association will ensure clear procedures are in place and that clear lines of responsibility exist in order to encourage effective internal liaison.

The Role of the Committee

The Committee's role in the factoring process will be to:

- agree and review the policy and factoring agreement
- monitoring outcomes of the factoring service through reports
- authorising the implementation of court actions
- considering complaints via the complaints process governance

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Maintaining the Register.

We are bound under the Property Factors (Scotland) Act 2011 to maintain a register of all the properties and land we factor we ensure that this register is updated by 30 June of each year.

Sale of Property

Where a property factored by the Association is to be sold, owners must advise the Association of the date of transfer and the name of the new owners. If solicitors handling the transaction require copies of Building Warrants, guarantees, or other documents, an administrative charge may be made.

We reserve the right to issue a Notice of Potential Liability of Costs, where we have concern over an owner's intention to pay outstanding charges.

Record-keeping

The Association will maintain comprehensive records of all relevant information, including ownership details, liability for common repairs, details of insurance cover, apportionment of charges attributable to the property. Details of solicitors and lenders will also be held where known.

Emergency Situations – common areas

Any emergency situations arising outwith working hours, which relate to a repair of a common nature should be reported to one of the following contractors:

City Building LLP 0800 595 595
Scotia Plumbing & Heating 0141 771 9600 (plumbing issues only)

However, where the instructed repair is not a common repair, we reserve the right to recharge the owner for the full cost of the repair.

Where an emergency requires access to an owner's individual property, the Association will make every effort to contact the owner, failing which, if Maintenance Officer judges that access is needed immediately, the Association will make appropriate arrangements to gain access. This action would only be taken in extreme situations.

9. Monitoring and performance

The committee will annually consider performance against the Social Housing Charter indicators the following:

- Average annual management fee per factored property.
- Percentage of factored owners satisfied with the factoring service they receive

These two indicators will also be published as part of the Associations Social Housing Charter return.

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The Committee will also receive quarterly reports, as follows:

- Details of factored properties
- Outstanding debtors and action taken or proposed
- Any legal costs related to the factoring service, whether recoverable or not the overall cost and income of the factoring service

10. Consultation

We aim to deliver excellent services, which respond to local needs and reflect what is most important to our customers.

To do that we need our customers to tell us how well our policy is working and help us to make the changes which will improve it. In line with our Customer Engagement and Participation Policy:

- We make it easy for customers to give us their comments and views - face to face, by telephone, e-mail, on line or in a letter.
- We commission formal independent customer satisfaction surveys on a continuous monitoring basis carried out every three months.
- We consult our Customer Opinion Panel
- We publish the targets we set
- We publish how we have performed against those targets

We use feedback to review our policies and ask customers about the changes we are making.

In addition

- prospective new owners will receive clear and concise information about the factoring service and common buildings insurance policy.
- each new factoring client will receive a copy of
- the factoring policy
- a statement of services
- the property factors code of conduct
- the dispute resolution procedure

Owners will also have the opportunity for consultation, through the Association's newsletters, annual report and open meetings. Every newsletter will contain a section related to repairs and factoring.

We carry out a quarterly independent customer survey and hold an annual meeting for factored customers. We will develop an action plan to address feedback we receive from our satisfaction surveys and our consultations. Owners will be involved in the development of the action plan and will receive a copy.

11. Complaints

We have a separate complaints policy and procedure. Leaflets and copies of the complaints procedure is available from the Association's office and on our website. We also provide information on how our customers can make a complaint to the Scottish Public Services

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Ombudsman (4 Melville Street, Edinburgh EH3 7NS, telephone, 0800 377 7300) and how to contact the Scottish Housing Regulator.

The Ombudsman will not normally deal with complaints unless customers have followed the Association's complaints' procedure

12. Review timeframe

The policy will be reviewed every three years, or sooner, in response to a change in legislation or circumstance.

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Appendix 1

Definitions

The following definitions will be used throughout this policy:

Factoring

A property management service offered to property owners to plan for, arrange and oversee work on their behalf (e.g., common repairs, planned maintenance works and insurance). Factoring services and responsibilities also relate to areas of common land or space as well as specific properties.

Factor

The agent appointed to carry out a factoring role, i.e., Wellhouse Housing Association Limited.

Tenement

A building which comprises two or more separate dwellings which are divided from each other horizontally and including any land attached to that building (e.g., gardens, back courts, etc).

Flat

A dwelling-house in a tenement

Deeds of Conditions

This is a legal document that imposes legally enforceable conditions on the property to which it relates. Conditions may cover permitted uses of the property and requirements relating to the division of responsibility for repairs and maintenance of a building in multiple ownership.

Appendix 2

The Property Factors (Scotland) Act 2011 Code of Conduct for Property Factors can be accessed via the following link

<https://www.gov.scot/publications/property-factors-scotland-act-2011-code-conduct-property-factors-2/>

The Scottish Government's Factoring Code of Conduct is a set of voluntary guidelines for factoring companies in Scotland. It aims to promote good practice in the factoring industry and protect the interests of businesses that use factoring services.

The code covers a range of topics, including:

- **Transparency:** Factoring companies must be transparent about their fees and charges, and they must provide businesses with clear and concise information about their services.
- **Fairness:** Factoring companies must treat businesses fairly and ethically. This includes avoiding unfair contract terms and practices and providing businesses with a fair opportunity to terminate their factoring agreements.
- **Competence:** Factoring companies must be competent and experienced in providing factoring services. They must also have adequate financial resources to support their businesses.
- **Customer service:** Factoring companies must provide businesses with good customer service. This includes being responsive to businesses' needs and providing them with support when needed.

The code is monitored and enforced by the Scottish Government. Factoring companies that breach the code may be subject to enforcement action, such as financial penalties or suspension from the register of factoring companies.

The code is voluntary, but it is widely supported by the factoring industry and by businesses that use factoring services. It is seen as an important tool for promoting good practice and protecting the interests of businesses in Scotland.

Here are some of the key benefits of the Scottish Government's Factoring Code of Conduct:

- **Transparency:** The code helps to ensure that businesses are aware of the fees and charges associated with factoring services, and that they are provided with clear and concise information about the services they are buying.
- **Fairness:** The code helps to protect businesses from unfair contract terms and practices. It also gives businesses a fair opportunity to terminate their factoring agreements if they are not happy with the service they are receiving.
- **Competence:** The code helps to ensure that factoring companies are competent and experienced in providing factoring services. It also helps to ensure that factoring companies have adequate financial resources to support their businesses.

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- Customer service: The code helps to promote good customer service from factoring companies. It also gives businesses a way to complain if they are not happy with the service they are receiving.

Overall, the Scottish Government's Factoring Code of Conduct is a valuable tool for promoting good practice and protecting the interests of businesses in Scotland.

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Appendix 3

Dispute Resolution

Any owner who is dissatisfied with any aspect of the factoring service or with how they have been treated by a member of staff should make a complaint to WHA in line with our complaints policy.

The Association takes all complaints very seriously and has a separate Complaints Policy, a copy of which is available from the Association's offices on request.

If after following the Association's Complaints Policy, the owner remains dissatisfied, they should be advised that they have final recourse to the Housing and Property Chamber. Owners can obtain the relevant form to make representation to the HPC from us.

The Housing and Property Chamber
First-tier Tribunal for Scotland
20 York Street
Glasgow
G2 8GT

Telephone: 0141 302 5900
Website: www.housingandpropertychamber.scot
Email: HPCAdmin@scotcourtsribunals.gov.uk

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