

**MARYHILL HOUSING ASSOCIATION
FACTORING SERVICE**

WRITTEN STATEMENT OF SERVICE AND TERMS AND CONDITIONS OF SERVICE

A guide to Maryhill Housing Association's Factoring Service

In compliance with the Property Factors (Scotland) Act 2011

Property: [INSERT ADDRESS]

1. Introduction

These are the terms and conditions for the provision of a factoring service to owner occupiers by Maryhill Housing Association Limited, registered under the Industrial and Provident Societies Act 1965 (Registered Number 1904R(S)) being a recognised Scottish Charity (Charity Number SC032468) and having their Registered Office at 45 Garrioch Road, Glasgow G20 8RG.

Maryhill Housing Association (MHA) is a registered property factor on the Scottish Property Factor Register (registered np. PF000369). As a registered property factor MHA is legally required to ensure compliance with the Code of Conduct provided for in the Property Factors (Scotland) Act 2011.

A revised Code of Conduct applies from 16 August 2021 and replaces the original Code which applied from 1 October 2012. All registered property factors are required by law to ensure compliance with the Code in terms of section 14(5) of the Property Factors (Scotland) Act 2011 (the 2011 Act).

The Association has a legal duty as per the Property Factors (Scotland) Act 2011 to provide each homeowner with a comprehensible Written Statement of Services (WSOS) setting out, in a simple, structured way, the terms and service delivery standards of the arrangement in place between the Association and the homeowner.

The Association must take all reasonable steps to ensure that a copy of the WSOS is provided to homeowners within 4 weeks of the property factor: -

- agreeing in writing to provide services to them.
- the date of purchase of a property (the date of settlement) of which they maintain the common parts. If the property factor is not notified of the purchase in advance of the settlement date, the 4-week period is from the date that they receive notification of the purchase;
- identifying that they have provided misleading or inaccurate information at the time of previous issue of the WSOS.
- at the earliest opportunity (in a period not exceeding 3 months) where any substantial change is required to the terms of the WSOS.

The purpose of this document is to detail the role of MHA as Property Managers on behalf of all of our factored customers; to whom the Association provides a factoring service. This document constitutes a Written Statement of Services setting out the arrangements in place for the provision and receipt of Factoring Services from MHA.

The content of this WSoS is valid at the date of issue. If there are any substantive changes to our factoring service in the future we will issue a revised statement of services (see section 4 below).

Our Management Fee is reviewed on an annual basis and any change takes effect from 1st April and you will be advised of any changes to the fee as soon as is practical.

2. Authority to Act

MHA is the Property Factor acting for and on behalf of all dwelling house owners within the block of flats of which your property forms part. The Association was appointed to act as Property Factor in accordance with the provisions of either the title deeds relating to your property or, if applicable, in accordance with the Tenements (Scotland) Act 2004 we manage your property on the basis of your property being an existing MHA factored property on or before 01/11/2011.

3. Services Provided

3.1 Core Services

The Association will provide the core services set out in Schedule 1.

3.2 Delegated Authority

The Association has the delegated authority of the owners within the block to instruct and have carried out repairs and maintenance to the common parts of the block being factored provided that the anticipated cost to each owner of any one item at the time when it is instructed will not exceed the sum stated in your Title Deed or such other sum as may be agreed with a majority of owners of the block.

If the anticipated cost of any such item exceeds that sum it shall be instructed and carried out only when the work has been approved by a simple majority of the owners of the block or in accordance with the provisions of your title deeds. In some circumstances, the Association will reserve the right to ensure all of the owners have paid their share of the costs to the Association in full before commencing design works, other preparatory works and/or the works on site.

The Association may also instruct "making safe" works if such works are required in an emergency or it considers the expense to be justifiable on grounds of health or safety and in these circumstances the Association shall recover the costs of that work from owners.

3.3 Additional Services

The Association may provide services out with the core services set out in Schedule 1 if it is authorised by the owner occupiers within the block to do so all in accordance with the provisions of your title deeds. The cost of such works will be confirmed to owners within the block prior to the work being carried out and the costs of carrying out the work shall be apportioned in accordance with Schedule 2 of this Agreement. The Association may include reasonable conditions in respect of payment for the provision of such additional services including asking for payment up front (see 3.2 above).

4. Financial and Charging Arrangements

4.1 Management Fee

The Association will charge a management fee per annum for carrying out its function of providing the core services. This fee will be reviewed on an annual basis. You will be advised of any annual increase prior to it taking effect from 1st April of each year.

The Management Fee is the charge for managing the block of which your property forms part. This includes:

-
- Arranging maintenance and repair of the block common parts and provision of cyclical maintenance services.
- Liaising with contractors and tendering for the best service and price for the core and additional services.
- Working with an insurance broker to achieve an arrangement for the owners within the block and assisting homeowners in making claims on the insurance.
- Administrative costs in sending quarterly factoring invoices, letters, and newsletters.
- Exercising financial control to ensure that everyone is invoiced for their respective share of costs.
- Working together with solicitors to recover outstanding debts on behalf of the owners within the block.

- Liaising with utility companies to make sure all charges are accurate and fair, make payment of utility company invoices and recover the cost from the owners within the block.
- Undertaking regular visits and maintenance checks.
- Provision of advice and assistance.

There will be circumstances where the service being provided by the Association involves additional work beyond its routine management duties. For example, co-ordinating a feasibility study, undertaking a piece of research on behalf of a factored customer(s) or unforeseen developer and or building warranty issues. In such circumstances the Association reserves the right to charge an additional fee to cover the time spent on these additional services.

4.2 Allocation of Costs

You are responsible, along with the other owners in the block, for the full costs of maintaining the common parts in compliance with the terms of your Title deeds. Your share will be charged in accordance with your title deeds or where appropriate the Tenements (Scotland) Act 2004 / Title Conditions (Scotland) Act 2003. This includes all common repairs, services and utility charges.

4.3 Invoicing

The Association will aim to provide you with an invoice on a quarterly basis which will be issued in April, July, October and January to recover our respective Management Fee, common service charges and/or repairs provided or incurred during each previous quarter. The Association's Annual Management Fee will be payable in 4 equal payments as part of the quarterly invoice.

Factored customers have a period of 1 month from receipt of invoice to make a payment. The Association reserves the right to charge for copy invoices (see section 4.7 below).

4.4 Payment

You will have a period of 1 month from receipt of invoice in which to make payment. If the invoice is not paid in full, the Association will attempt to recover the debt owed in accordance with our Debt Recovery (Factoring) Policy and Procedures.

You can pay your invoice by the following methods:

- By cheque made payable to the Association
- By All Pay payment card (replacement cards chargeable)
- Debit card/credit card
- Bank transfer
- Postal order
- Standing Order
- Direct debit

For security reasons we prefer do not accept cash payments.

If you have difficulty in making payment, you must immediately contact the Association to discuss payments due and agree how they will be paid. If you are having money worries, you can contact our dedicated Financial Support Team on 0141 946 2466 or email: fst@maryhill.org.uk who are available to provide advice and assistance. Free debt advice is

also available from a number of independent organisations, e.g, Citizens Advice, National Debtline or Step Change.

All charges incurred by the Association pursuing any debt are recharged to the defaulting owner's account.

4.5 Debt Recovery

The Associations Debt Recovery Procedure sets out what steps we will take to recover any outstanding debts owed by you. We will consider your individual circumstances if you are experiencing financial difficulties and it is important that you let us know if you are unable to pay your factoring bills.

You are required to pay our bill within one month of receipt and if your bill is not paid we will:

- Contact you to discuss payment of your account and confirm what your outstanding balance is and request that the bill is paid within 7 days and you will be charged a late payment fee.
- Tell you what action we will take if the bill is not paid
- If full payment of the balance is not paid or a payment arrangement is not maintained, we may take legal action against you to recover the debt.
- We will write to you to let you know if we intend to take legal action against you.

We may consider lodging a notice of potential liability (NOPL) for monies owed to the Association with the Registers of Scotland which will warn any prospective buyer of an outstanding liability.

You will be liable for any administration costs and legal costs associated with debt recovery action.

Your Title Deeds may allow us to recover outstanding debts from other homeowners in your block this something that we will not do.

A copy of our Debt Management (Factoring) Policy can be viewed in full on our website www.maryhill.org.uk. [Factoring procedures are available on request.](#)

4.6 Disputing a Bill

Any disputed item(s) on a bill should be raised within one month of receipt of the bill and any other charges on the bill should be paid in full by the due date.

We will suspend any recover action on the item(s) in dispute until we have concluded our investigations.

4.7 Charges for Specific Services

As part of your factoring service there may be occasions where you are required to pay an additional fee, for example where the Association is managing and coordinating major works or administering the sale of your property. These costs are listed below:

- Major works administration fee – 10% of the works costs
- Late payment fee - £20
- Change of owner as part of a sale - £30
- Change of ownership 7 or less days notification - £75

- Copy invoice fee - £10
- Insurance administration fee – 10% of the annual cost

4.8 Money Laundering

The Association is fully committed to complying with all legislation and appropriate guidelines designed to prevent financial crime and to combat money laundering activity and the funding of terrorist or criminal activity.

4.9 Sinking funds

The Association may establish and manage sinking funds in line with your Title Deeds or following the provisions for decision making as set out in your Title Deeds.

5 Factors Float

Where the Association charges a Factors Float, (mainly on new build projects) this will be held in a separate bank account and separately accounted for. The Association shall have the authority to use the money paid by an owner together with any interest which has accrued to meet any debt owed to the Association in its capacity as factor for the block. On ceasing to be a factored owner, a person is entitled to repayment of their share of the factors float after deduction of any sums due by that owner to the Association in their capacity as factor of the block.

6 Change of Ownership

Each owner shall notify the Association of any changes in ownership of their property no less than 7 calendar days before the property is due to sell. On receipt of notification of such sale, the Association will arrange to apportion the charges and sums due by the owner for the period to the date of sale. An administration charge will be made to any owner selling a property within the block for the apportionment of common charges and updating of information regarding ownership. There is a standard fee for when notification is received at least 7 calendar days before the property is due to sell, however there is a significantly higher fee if notification is received less 7 calendar days before the property is due to sell. In addition, the Association reserves the right to charge for copy certification and other documentation relating to the sale and apportionment of all charges.

7 Private Letting

If an owner privately lets their property, be it a residential property or a commercial one, the Association will pursue the owner for payment and not the tenant as any factoring debt is due and payable by the owner of the property and not the tenant. A lease will regulate the agreement between the owner of the property and their tenant. Any sums due in relation to common repairs and factoring are payable by the owner of the property and any enforcement action will be taken against them.

8 Insurance

Maryhill Housing Association provides a common building and liability insurance cover by means of its block buildings insurance policy at very competitive rates. The Association is able to obtain very competitive rates due to the purchasing power of the Association. The rates are subject to regular competitive tendering and are reviewed annually. A full copy of your Summary of Cover will be issued on an annual basis and within three months of a change of insurance provider. We also provide you with an individual Schedule of Insurance annually.

The Association does not provide house contents insurance, which is the responsibility of individual owners.

This insurance covers for the full reinstatement costs associated with rebuilding the property, including common areas such as the stairwells, roof, close wall entrances etc. There is an excess on the Maryhill Housing Association policy which is an amount a policyholder must bear before the liability passes to the insurer. Please refer to the Summary of Cover for details relating to excess as they are subject to change annually.

The Association does not earn or charge any commission for arranging the insurance.

The reason that the Housing Association encourages owners to participate in its building insurance policy is to ensure that their responsibilities for the common parts / common property and any associated liabilities are protected by insurance. For example, it is often the case that when owners arrange their own property building insurance cover elsewhere, that the cover will be effective over the structure of their dwelling but will not any include common property areas such as the roof, close stairwells etc.

Given this statutory responsibility and this liability for common property areas, owners must ensure that, in the event that they arrange their own property building insurance, this must include for the reinstatement of the common property areas otherwise the owner may be liable for works costs not covered by their insurance cover.

Any owner who does not wish to participate in our building insurance policy is required by law to provide us with a copy on an annual basis of their own building insurance certificate together with a copy of the policy wording that must include for the full restatement value of their home, public liability and the common property. It is further required that we are notified should your insurance cease for any reason whatsoever. If this documentation is not provided to us or upon our request owners still do not respond they will automatically be billed the quarterly insurance charge for the common property cover as standard to ensure adequate Insurance cover is provided to cover the common/common property.

7.1 Property Owners Liability Insurance

Owners must ensure that they have taken out Property Owners Liability Insurance. This provides protection against claims made against owners as the owner of their property for any accidental bodily injury or accidental property damage resulting from a defect in the building – the definition of building includes patios, paved areas, footpaths, roads, car parks for which all owners are legally responsible for as property owners or by virtue of the Defective Premises Act 1972. The Association's Policy provides this cover.

7.2 Owners Own Property Insurance

Apart from the insurance requirement for the common property, owners are required to make sure that their dwelling (home) is fully insured for its full reinstatement value. It is the responsibility of individual owners to ensure that the sum insured is adequate. The Association reserves the right to instruct valuations of factored properties for insurance purposes, for which an additional charge will be made.

The Association can offer homeowners this insurance cover by means of its Building Insurance Policy which is the subject of regular competitive tendering. The Association will provide the following insurance information to homeowners on request:

- clear information showing the basis upon which their share of the insurance premium is calculated, the sum insured, the premium paid.
- any excesses which apply.
- the name of the company providing insurance cover and the terms of the policy. The terms of the policy will be supplied in the form of a summary of cover, but full details will be available for inspection on request at no charge. If a paper or electronic copy is requested, the Association reserves the right to make a charge for providing this.

The Association does not earn or charge any commission for arranging the insurance.

7.3 New Shared Equity Owners

All shared equity homeowners have within their title a requirement to be included within the Association's Block Building Insurance which covers for the full reinstatement value of their home, public liability and the common property. The provisions which apply to owner occupiers as outlined in clauses 7, 7.1 and 7.2 of this Written Statement will also apply to Shared Equity owners.

7.4 Shared Ownership Owners

Shared Ownership Owners do not have within their Titles a requirement to participate in the Association's Block Building Insurance cover. Sharing owners must therefore arrange their own insurance to cover the full reinstatement value of their home, public liability and the common property. Sharing owners, can if they choose to do so, participate in the Association's Block Building Insurance cover. The same provisions with regard to owner occupiers in clauses 7, 7.1 and 7.2 of this Written Statement will apply to Sharing Owners.

If a claim requires to be made on the building insurance, each owner shall contact the insurance broker who will provide a claim form and adequate details in order for the owner to make the claim. The Association will not submit insurance claims on behalf of owners. Any decisions on whether a claim is settled or not is the responsibility of the insurer and not the Association.

8 8 Communication and Complaints

Written correspondence will be replied to within five working days or, for more complex items, we will acknowledge receipt and advise you of the progress of your enquiry. (For more complex enquiries we would aim to resolve these within 20 working days).

If you call and a member of staff isn't available to speak to you, we will raise a request for a call back. We aim for the call back to be made within 48 hours.

Complaints give us valuable information that we can use to improve our services. Our complaints handling procedure will allow us to deal with your problem and may also prevent the same problems that led to your complaint from happening again. For our staff, complaints provide a first-hand account of your views and experience and can highlight problems we may otherwise not have been aware of.

If you have a complaint in relation to either the service which you have received or a specific matter the Association has a Complaints Policy and Procedure which sets out the processes which require to be followed.

The Association's Complaints Policy and Procedure is available from the Association's offices on request and on our website, www.maryhill.org.uk

Complaints can be made in a manner that suits you best. This can be in person, or by letter, email, or telephone.

Our timescales for dealing with complaints are as follows:

- Frontline Resolution. We aim to resolve complaints within five working days, although in practice we would often expect to resolve the complaint much sooner.
- Investigation. If we need to investigate further, we will acknowledge your complaint within three working days and provide you with a full response as soon as possible, but not later than 20 working days from the time we received the complaint for investigation.

If you are still not happy once our complaints handling procedure has been completed, you have a final route for having your complaint considered. You must inform us in writing of the reason why you consider that we have failed to carry out our duties as factor or failed to comply with the Code.

You will then be able to contact the First-tier Tribunal for Scotland Housing and Property Chamber which is an independent tribunal appointed by the Scottish Government to review complaints made against property factors. They can be contacted at:

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

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

9 Declaration of Interest

The Association confirms that it owns properties within the block which is factored unless it is already wholly privately owned or becomes wholly privately owned as a result of our tenants Right to Buy policy. Confirmation of how many properties the Association owns in your block can be found in Schedule 2 of this document.

10 How to End the Factoring Arrangement

The appointment of the Association as factor may be terminated on the instructions of a majority of the owners in the block, in accordance with the provisions of your title deeds or by the Association. in each case upon giving not less than one months' prior notice in writing.

For the purpose of instructing the Association on factoring matters, each owner in the block shall have one vote for each property owned by them and which is occupied by them or is separately occupied by their tenant or is unoccupied. If the title deeds for the development

allocate votes on the matter of factoring/maintenance/repairs in a different matter, those provisions shall prevail and shall be adhered to by the Association in carrying out the factoring. Where a property is owned by more than one person and the owners cannot agree, that vote is disregarded.

11 Reporting Common Repairs

As factors, the Association sets and maintains a high standard of service in relation to maintenance and repairs including ensuring that repairs are carried out within agreed timescales and in as cost-effective manner as possible.

11.1 Reactive Repairs

Each owner will assist the Association by reporting any communal repairs to the Association's office. Repairs can be reported in the following ways:

- Visit our Office – 45 Garrioch Road, Glasgow, G20 8RG
- Call us on 0141 946 2466. If the office is closed a message can be left on the answering machine. If the common repair is an emergency, the answering machine will provide the emergency out of hours contact number.
- In writing or by e-mail enquiries@maryhill.org.uk. If the required repair is straightforward; the Association will pass the information directly to one of the Association's approved contractors and they will carry out the works. If the repairs less straightforward the Association will request a maintenance officer to visit the block and assess the repair.

The target turnaround timescales for common repairs are as follows:

- **Emergencies** - To attend and make safe within 2 hours
- **Urgent** - Carried out within 1 working day
- **Routine** - Carried out within five working days
- **Other** - Carried out within 15 working days.

Repairs will sometimes take longer (for example, if the contractor must order spare parts). If you are concerned about how long a repair is taking, or if a repair is not carried out to your satisfaction, please contact the Association.

Repairs covered under the heading "common" will include the roof, close, backcourt, common structure (this list not exhaustive, please refer to your title deeds).

The Association reserves the right to charge owners, their appointed letting agents or private tenants for replacement door entry key fobs.

11.2 Cyclical Works

Cyclical work is work and or repairs carried out by the Association over fixed periods of time, close painting for example, and are to protect the property from falling into a state of disrepair. The cyclical work which the Association will carry out as a core service is contained within Schedule 1.

12 Data Protection

Maryhill Housing Association is committed to protecting the privacy and security of your personal information. As a social landlord and property factor, we have to process personal information to deliver our services. As such we are registered as a data controller with the Information Commissioner. For further information on:

- what personal information we collect about you
- when we collect it
- how we use your personal information

Please view our full Privacy Statement on our website www.maryhill.org.uk or contact us to request a paper copy.

Please note that the Property Factors Act requires that the Association to provide information to the Scottish Government on the properties to which they provide factoring services, this will result in certain information being published and available to the public. By appointing the Association on these terms and conditions you are agreeing to this publication.

Maryhill Housing Association reserves the right to develop this statement towards improving our services to our factored owners to comply with and exceed the requirements of the Property Factors (Scotland) Act 2011.

Maryhill Housing Association, 45 Garrioch Road, Glasgow G20 8RG

Tel 0141 946 2466

E mail enquiries@maryhill.org.uk

Website: www.maryhill.org.uk

SCHEDULE 1

CORE SERVICES TO BE PROVIDED BY THE ASSOCIATION

The Association will:

1. Make periodic visits to the block and take appropriate action to deal with any repairs which arise from this inspection, affecting common or shared areas.
2. Provide a reactive repairs and maintenance service in respect of the common or shared areas in accordance with the Association's Procurement Policy.
3. Provide a cyclical maintenance service for common or shared areas including landscape maintenance services, gritting (not on surfaces adopted for maintenance purposes by Glasgow City Council), backcourt and stair cleaning, roof anchor inspection, fan servicing, communal painter work, window cleaning, common door entry, CCTV, lift, plant, machinery and fan maintenance.
4. Instruct contractors to carry out work to repair, maintain renew or reinstate elements of the building, or the building itself and/or any operating plant and equipment used in common by the owners of the building in accordance with the Association's Procurement Policy.
5. Employ professionals such as accountants, architects, engineers, surveyors or other professional advisors to certify or validate any matter concerning the provision of any core service contained within this Schedule 1.
6. Provide, service and monitor firefighting equipment, appliances (including fire alarm sprinkler systems, smoke detectors and smoke control devices) and any other signs or other notices required by the local Fire Officer and/or insurers (and repair, maintain and renew the same).
7. Consult with the contractors as to the type of repair and the materials to be used when carrying out communal repairs and maintenance
8. Arrange (where a repair requires the services of more than one trade) for several contractors to co-ordinate their respective work.
9. Where relevant, obtain tenders from several contractors for the same job advise the owners as appropriate and obtain the instructions of owners before proceeding.
10. Provide such security equipment and apparatus for the property as Maryhill Housing Association shall think fit and proper to provide and/or use and ensure the maintenance, replacement and renewal of such security equipment.
11. Investigate any complaints of unsatisfactory work and where considered necessary by Maryhill Housing Association and on the instructions of a majority of the owners, arrange for a professional report on the completed repair(s,) subject to any fees for such reports being chargeable to the owners.
12. Check contractors' invoices when rendered, including any charge of VAT.
13. If requested, arrange to make available for inspection on one occasion in each year copies or originals of contractors' invoices for that year (copies can be provided at a separate cost).
14. Arrange insurance in accordance with clause 7 of this Written Statement.
15. On agreement with owners and in accordance with their title deed provisions, provide a project co-ordination service for major repair or improvement works of a communal nature.

Maryhill Housing Association reserves the right to develop our core services towards improving our services to our factored owners to comply with and exceed the requirements of the Property Factors (Scotland) Act 2011.

Schedule 2:

Breakdown of Common Charges

The Common Charges which are applicable to your property, in accordance with your Title Deeds are as follows:

Insert title deed information

Apportionment

The proprietor shall be liable, jointly with the other dwelling houses in the Block, for payment of the Common Charges in proportion of **xxxx%**

Delegated Authority Limit

In your building, the factor can make decisions up to any amount in accordance with your Title Deeds and organise work regarding repairs to common property, common maintenance or other issues.

Association Owned Properties

In your building, the Association owns **xx properties**.