



Title	Factoring Policy
Purpose	<p>MH provides factoring services in mixed tenure and fully owned buildings, and developments to a wide range of customers including owner occupiers, sharing owners, shared equity owners, tenants and commercial property owners. Factoring involves managing the common parts and building fabric of our managed portfolio.</p> <p>The underlying objective is to deliver a quality factoring service in an efficient and effective way which maximises our income, demonstrates value for money and meets legal and statutory requirements, best practice and SHR guidance.</p>
Scope	<p>The Policy relates to the provision of factoring services including:</p> <ul style="list-style-type: none"> • Information and advice • Management and administration services • Supply of written statements of service • Enforcement of title deeds and other property management conditions • Buildings insurance cover (where applicable) • Day to day common repairs • Cyclical maintenance regimes • Major repairs and works including use of Minute of Agreement • Estate management and maintenance of the physical environment • Raising and collection of charges from owners for factoring services • Debt recovery • Owners' consultation and communication <p>Delivery of the Factoring Service will be the responsibility of:</p> <ul style="list-style-type: none"> • The Chief Executive as the responsible person as defined in the Property Factors (Scotland) Act 2011 • The Director of Operations having primary responsibility for the factoring service • The Director of Operations is responsible for overseeing the management of the factoring service • The Factoring Manager is responsible for the day to day management of the factoring service and the contact person as defined in the Property Factors (Scotland) Act 2011 • The Factoring Officer is responsible for assisting the Factoring Manager in the day-to-day administration of the factoring service • Staff from Housing, Property, Finance, Investment, Assets, Community Regeneration, Corporate and CCT in relation to the provision of support services

	<ul style="list-style-type: none"> All staff in relation to ensuring this policy is followed. 										
Definitions	<p>For the purposes of this policy, unless otherwise stated, the following definitions shall apply:</p> <table border="1"> <thead> <tr> <th>Term</th> <th>Definition</th> </tr> </thead> <tbody> <tr> <td>MH</td> <td>Maryhill Housing Association</td> </tr> <tr> <td>Owners</td> <td>Owners, Sharing Owners, Shared Equity Owners, Commercial Property Owners</td> </tr> <tr> <td>Factor</td> <td>Manages the common parts of land used to any extent for residential purposes and owned by two or more persons, or by the Housing Association and one or more other person</td> </tr> <tr> <td>SMT</td> <td>Senior Management Team</td> </tr> </tbody> </table>	Term	Definition	MH	Maryhill Housing Association	Owners	Owners, Sharing Owners, Shared Equity Owners, Commercial Property Owners	Factor	Manages the common parts of land used to any extent for residential purposes and owned by two or more persons, or by the Housing Association and one or more other person	SMT	Senior Management Team
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Policy Statement	<p>The following principles govern the Association's approach to factoring:</p> <ul style="list-style-type: none"> MH will comply with the Property Factors Act, all other relevant legislation and statutory requirements and within the parameters of the title deeds MH will aim to follow good practice guidance MH will operate its factoring business with transparency MH's advice to owners will be impartial, factual, clear and comprehensive MH will devise procedures for compliance with this policy. <p>The Association's aims and objectives in the delivery of its factoring service are to:</p> <ul style="list-style-type: none"> Maintain an accurate and up to date portfolio list on the Property Factors Register and maintain registration as a Property Factor Deliver a high quality, pro-active factoring service Provide owners with relevant good quality information in accessible formats including the Written Statement of Services Ensure that properties and the surrounding environment are maintained to the highest standard Establish and implement efficient repair and maintenance services in accordance with the relevant Deeds and in consultation with owners. Ensure that major works, cyclical works and common repairs will be carried out in accordance with relevant Deeds and in consultation with owners. If Title Deeds are unclear, we will refer to the Tenement (Scotland) Act 2004. Investigate and where available arrange financial support for owners for essential major repair works and improvements Procure services in a fair, open and transparent manner and in line with the organisation's Procurement and Community Benefits Policy. Establish accounting practices that are robust, transparent and accurate including effective and efficient systems for the apportioning of costs and raising of invoices Account clearly for monies held on behalf of owners including advance payments, sinking funds and deposits where applicable Ensure there are clear and effective procedures in place to recover factoring charges in a fair and consistent manner and in 										

accordance with the Title Deeds to minimise arrears and maximise recovery of sums owed

- Take appropriate action to recover all monies due and where appropriate take legal action to recover outstanding balances in line with the Factoring Debt Recovery Procedures.
- Legal action will involve all options for recovery available including instruction of Notice of Potential Liability for Costs against properties
- Promote the Association's Financial Support Service to owners that are experiencing financial difficulty
- Assist owners in planning for their longer-term financial commitments by providing owners with relevant Investment Plan information for their block
- Ensure a robust communication strategy is in place which includes a full suite of communication documents to establish and sustain good communication links with its factored owners
- Ensure owners are fully aware of their responsibilities in regard to factoring and title deed conditions
- Actively promote owner engagement and encourage owners' participation in the management of their property particularly in relation to decision making
- Carry out customer satisfaction surveys and seek feedback from factored owners and respond to feedback received from owners.
- Identify key staff and clarify their roles and responsibilities in providing an efficient and effective factoring service
- Ensure effective co-ordination between everyone responsible for the factoring service. Establish clear procedures and communication systems between relevant staff
- Monitor and report performance of the factoring service quarterly.
- Consider expanding the factoring service where it is appropriate and, in our interest, e.g. provide additional services to existing owners or provide factoring services to new blocks/owners
- Board approval will be sought where withdrawal of factoring services from fully owned blocks is being considered which could expose the Association to financial or reputational risk.
- Provide training on the Factoring Policy to all relevant staff
Carry out an annual review of the management fee and implement any changes on the 1 April each year.

Relevant statutes:

The Factoring Policy reflects the Association's commitment to full compliance with all legal, regulatory and good practice requirements.

Relevant statutes include:

- Property Factors (Scotland) Act 2011
- Tenements (Scotland) Act 2004
- Title Conditions (Scotland) Act 2003
- Other legislation or by agreement in writing with the homeowners, or by order made by a court or by the Lands Tribunal for Scotland

The following areas will be subject to monitoring and control by the Association's SMT and internal audit:

- Policy effectiveness
- Policy compliance
- Risk management

	<ul style="list-style-type: none"> • Staff training <p>This policy complies with the Association's core values of equality and diversity.</p>
Approval	Board September 2024
Policy Owner	Director of Operations
Review	September 2027