



**Name of Policy: Services to Owners  
(Ref: PSF/01)**

**Purpose of Policy:** This Policy outlines how the Association manages its services to owners.

<b>Policy Monitoring Details</b>	
<b>Department</b>	Property Services
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<b>Status</b>	Association/Group
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<b>Customer Consultation Required</b>	No
<b>Equalities Impact Assessment</b>	Initial
<b>HRA Implications</b>	None

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<b>1.</b>	<b>Introduction</b>	
1.1	Manor Estates inherited the rights and responsibilities from Scottish Homes for the provision of Factoring services for houses and flats sold by Scottish Homes, and its predecessors, under the right to buy scheme and subsequent houses and flats sold by Manor Estates since March 1995.	
1.2	Manor Estates is committed to offering a factoring service to property owners whose properties form part of a mixed tenure block or are located within areas it manages in terms of common ground.	
1.3	Manor Estates is a Registered Property Factor, Registration No PF000157.	
1.4	Manor Estates recognises the benefit of providing an effective factoring services to property owners, which will ensure that properties and common areas are adequately maintained to encourage good relations within communities.	
1.5	Manor Estates operation of its factoring services will comply with the Property Factors (Scotland) Act 2011 and the Code of Conduct for registered property factors referred to in Section 14 of the Act. The Authority to Act is set out in the Written Statement of Services as attached as Appendix 1 (factored owners) and Appendix 2 (admin owners).	
1.6	The factoring service covers common property and common ground areas only. Manor Estates does not provide a repairs service to owners for exclusive property or private land.	
1.7	<p>Generally, Manor Estates term a <b>Factored</b> property to be a flat which is covered by the Manor Estates block insurance policy and an <b>Admin</b> properties are generally houses with shared responsibility for upkeep of common landscaped estates.</p> <p>All flats purchased under the Right to Buy prior to July 1988 are not covered by the block insurance policy, through their titles, and are therefore classed as <b>Admin</b> owners for billing purposes.</p>	
<b>2.</b>	<b>Legislation and Good Practice</b>	
2.1	<p>The main legislation and legal documentation which relates to this policy is set out in: -</p> <ul style="list-style-type: none"> <li>• Title Deeds</li> <li>• Property Factors (Scotland) Act 2011 and Code of Conduct for registered property factors</li> <li>• Tenements (Scotland) Act 2004</li> <li>• Title Conditions (Scotland) Act 2003</li> </ul>	
2.2	The legal conditions are contained under the Authority to Act in the Written Statement of Services. The Title Deeds are the legal basis for Manor Estates to recover the costs of owner's share of the works to common areas and for services provided. Attached to the Title Deeds are the Deeds of Conditions which imposes "real" burdens on the owner of the property. These burdens continue after the property is sold. The factoring service for flats is compulsory as participation is included within the Deed of Conditions as a condition of sale.	

	2.3	The Property Services Director is the responsible person as defined in the Property Factors (Scotland) Act 2011.
	2.4	Manor Estates will operate within its Financial Regulations Policy in providing services to owners.
	2.5	Advice provided to owners will be impartial and factual and in accordance with the Written Statement of Services issued.
	2.6	The process of selecting contractors and specifying works will be done openly, in line with our Procurement Strategy PS/01.
	2.7	The Property Services team are responsible for collating repair costs, apportioning of charges for repairs, issuing invoices, statements and preparing closing statements for re-sales and maintaining the owners accounts. This process is detailed in the owner's account raising procedure.
	2.8	The Property Services team are responsible for pursuing outstanding invoices and costs, taking payments, setting up direct debits or standing order and agreeing payment by arrangement.
	2.9	Manor Estates will actively encourage feedback from owner's, using survey techniques, through newsletter, website and social media (under development), for them to be involved in decisions affecting their home/environment.
<b>3.</b>	<b>Service Provision and Policy Objectives</b>	
	3.1	<p>Manor Estates objectives in providing an effective and efficient factoring service are: -</p> <ul style="list-style-type: none"> <li>• Comply with the Property Factors (Scotland) Act 2011.</li> <li>• Consult with owners and liaise regarding work required or being carried out to common parts.</li> <li>• Be transparent in the process of selecting contractors and detailing costs to owners.</li> <li>• Develop and encourage property owners to participate in cyclical works and upgrading works.</li> <li>• Keep owners informed of any delays to progress of work including approximate timescales for completion.</li> <li>• Maximise debt recovery from existing and previous occupants and minimise arrears.</li> <li>• Ensure owners are consulted on and informed about relevant issues, policies, procedures from the sector.</li> <li>• Regularly monitor, and evaluate all aspects of the factoring service and review policies and procedures as required.</li> </ul>
	3.2	Where owners are in the factoring service and are in the majority within an estate, when comparing to Manor Estates property holding, the majority owners are in line with terms of their title deeds and in the Written Statement of Services, entitled to choose and appoint their own factor. In such circumstances Manor Estates would need to be satisfied that proper arrangements are in place to cover the services provided,

		<p>and would work with the chosen factor to ensure a smooth transition of services.</p> <p>Where another factor is appointed, Manor Estates would not be responsible for future maintenance but would be liable to its share of the cost, subject to satisfactory completion of the work.</p>
	3.3	Manor Estates will continue to provide a factoring service (where it is not the majority landlord) as long as it has an interest as landlord in that estate or where the majority owners fail to make alternative arrangements.
	3.4	Where Manor Estates no longer owns property within an estate, it will consider ceasing the provision of services unless all owners consent to being part of the Commercial factoring service, operated through Manor Estates Associates Ltd. (MEAL), which will include agreement to pay the full cost of the service provision.
	3.5	<p>The factoring services provided fall mainly into the following categories: -</p> <ul style="list-style-type: none"> <li>• Factoring or Admin service fee for arranging, supervising and administering works.</li> <li>• Arranging Block Building Insurance cover (Flats only).</li> <li>• Arranging repairs and maintenance to common parts or common areas such as stair cleaning, stair &amp; external redecoration, reactive repairs and planned maintenance works.</li> <li>• Upkeep and maintenance of landscape areas, both private and public landscaping.</li> <li>• Retention of repairs deposit for flatted properties in the factoring service, currently set at (£50), or (£30) for flats purchased prior to 28 July 1988.</li> <li>• Administer a sinking fund for future major works.</li> </ul>
<b>4.</b>	<b>Types of Account and Charges</b>	
	4.1	<p>Manor Estates provides services to over 1505 owners which fall into the following main groups: -</p> <ul style="list-style-type: none"> <li>• <b>Factored</b> Flatted properties legally obliged to participate in the factoring service receive two account a year. The factoring, building insurance and where applicable, sinking fund charge will be split across two invoices. The first account will contain the full public and private landscaping charges from the previous year along with any outstanding repairs. <p>Accounts are issued in June &amp; November each year.</p> <li>• <b>Admin</b> Estates where one or two storey properties in sole ownership receive one account annually for the upkeep of common</li> </li></ul>

		<p>landscaping, ad hoc repairs and any charges since the last account was issued. This can include single flats in blocks purchased prior to July 1988 which were not issued with full factoring conditions.</p> <p>Accounts are issued in August each year.</p> <p>Major works costs, for agreed work programmes, may be immediately billed to owners when works are completed between the billing cycles. These works could include: -</p> <ol style="list-style-type: none"> <li>1. Essential works to common areas to protect the interests of tenants</li> <li>2. Health &amp; safety issues identified that may affect tenants or owners and cause further deterioration, damage or destruction of the building.</li> <li>3. Where Manor Estates wishes to instigate improvements to properties to comply the Scottish Housing Quality Standard.</li> </ol> <p>For any works not considered as essential and amounting to over £50 per owner, Manor Estates will write out to each affected owner to obtain their authority to proceed. Where a majority cannot be obtained, the work would not proceed.</p> <p>For essential maintenance, each owner will be contacted, detailing the essential work required and an indication of their share of the cost.</p> <p>Works affecting Admin owners amounting to over £100 will be subject to an additional 15% charge of the total value to cover increased administration fees.</p> <p>Each charge item on an account will be fully described with more detailed information contained in a covering letter issued with the account.</p> <p>Charges for the factoring and admin fees will be set annually in January, as part of the annual budget setting process, by the Manor Estates Board. Any increase in charges will take effect from the 1<sup>st</sup> April of the new financial year.</p>
5.	<b>Other Services</b>	
	5.1	<p>Insurance</p> <ul style="list-style-type: none"> <li>• Manor Estates will arrange block building insurance cover for all factored Owners.</li> <li>• The Corporate Services Manager will arrange the annual insurance valuation.</li> <li>• Insurance certificates will be issued annually to owners detailing the annual premium, the properties insurance re-instatement value and policy schedule.</li> </ul>

	5.2	<p>Landscaping &amp; Tree Management</p> <ul style="list-style-type: none"> <li>• Landscaping charges will be collated annually and charged in arrears to the first Factored and Admin account of each financial period.</li> <li>• Tree management work will be undertaken in accordance with Manor Estates Tree Management Policy PS/23.</li> </ul>
	5.3	<p>Newsletters</p> <ul style="list-style-type: none"> <li>• Manor Estates will aim to issue two newsletters per year to engage with owners on issues affecting their estate.</li> </ul>
<b>6</b>	<b>Property Sales</b>	
	6.1	<p>Manor Estates will actively encourage owners to notify the Association (or their Solicitor) when they sell their home. This will include: -</p> <ul style="list-style-type: none"> <li>• A regular review of the ESPC and other common estate agency websites to determine properties for sale.</li> <li>• Contacting the selling agents to advise Manor Estates are current factor.</li> <li>• Contact the purchaser's agents to advise Manor Estates are current factor.</li> <li>• Applying a re-sale administration charge to the account of the selling owner.</li> <li>• Apportionment of the account between the seller and purchaser.</li> <li>• Issuing a new owner information pack including an introductory letter, apportioned account, Written Statement of Service and current newsletter.</li> <li>• Recovery of any sums due from seller where we have forwarding addresses</li> </ul>
<b>7</b>	<b>Debt Recovery/Management</b>	
	7.1	<p>Manor Estates will recover all debts owed by owners for the services provided. This will be fairly and consistently applied to all factored and admin owners. The debt management process is clearly detailed in the Written Statement of Services issued to all owners and includes the following: -</p> <ul style="list-style-type: none"> <li>• Account issued twice yearly to factored, annually to admin owners detailing their account number, charges in the billing period, carry forward balance, statement of account and ways to pay within 28 days of the account issued.</li> </ul>

		<ul style="list-style-type: none"> <li>• Manor Estates will issue a first reminder letter after 28 days of account issue.</li> <li>• Manor Estates will issue a second reminder letter 56 days after account issue and apply a charge of £20 onto the unpaid account to cover additional administration costs.</li> <li>• Manor Estates will issue a third and final reminder letter 84 days after the account issue and apply a further £50 charge to the account.</li> <li>• The third reminder letter will give 7 days to pay the account before referral for debt collection.</li> <li>• Manor Estates will work with a debt recovery agent to manage and recover the aged debt, utilising court services as necessary.</li> <li>• Manor Estates will use NOPL (Notices of Potential Liability) on the property to secure the debt to ensure the property cannot be sold until debt is recovered.</li> <li>• The debt management process is managed through the Associations Open Housing IT system.</li> <li>• The legal and management fees of the debt recovery agent, including court costs, will be recharged to the owner.</li> </ul>
<b>8</b>	<b>Monitoring, Performance, Measurement &amp; Reporting</b>	
	8.1	<p>The following indicators will be reported through assurance statements to the Senior Management Team (SMT) : -</p> <ul style="list-style-type: none"> <li>• <b>Monthly</b> Debt summary including case load</li> <li>• <b>Quarterly</b> Progress with long term outstanding debts on factored and admin accounts (under development). Complaints processed.</li> <li>• <b>Annually</b> Number of re-sales processed in the financial year. Results of any satisfaction surveys.</li> </ul>
	8.2	<p>The following will be reported to the Board :-</p> <ul style="list-style-type: none"> <li>• <b>Annually</b> Owner write off balances (non recoverable debt). Compliance with Property Factors Register.</li> <li>• <b>Annually but surveyed every 3 years</b> Results of Scottish Housing Regulator Annual Return on Charter section 28 – Average Management Fee per Factored Property and section 29 Percentage of factored owners satisfied with the factoring service.</li> </ul>
<b>9</b>	<b>Complaints</b>	
	9.1	Manor Estates will deal with any complaints through its Complaints Policy G/03. These are reported to the Board on a quarterly basis

	9.2	<p>Complaints not resolved by the complaints policy, and which may be in relation to a failure of a duty referred to in the Property Factors (Scotland) Act 2011 and the Code of Conduct for registered property factors, can be referred to the Housing and Property Chamber First Tier Tribunal by the property owner.</p> <p>Should a property owner wish to approach the Housing and Property Chamber First Tier Tribunal they must have firstly progressed the issue through the Associations own complaints policy and have informed the Association of the areas of the Property Factors (Scotland) Act 2011 and the areas of the Code of Conduct for Property Factors where the Association have failed and to have allowed the Association time to submit a response.</p>
<b>10</b>	<b>Policy Review</b>	
	10.1	<p>This policy will be reviewed regularly to take into account: -</p> <ul style="list-style-type: none"> <li>• Changes to the Property Factors (Scotland) Act 2011 and updates to the Code of Conduct for registered property factors</li> <li>• Additional requirements imposed on registered property factors through legislation</li> <li>• Changes to rules, regulations and good practice guidance.</li> <li>• Recommendations or learning from complaints and outcomes of First Tier Tribunal cases.</li> </ul>
<b>11</b>	<b>Related Policies and Procedures</b>	
	11.1	<p>Policies :</p> <p>PS/01 Procurement Strategy  PS/23 Tree Management Policy  TF/11 Written Statement of Services  G/03 Complaints Policy</p>
	11.2	<p>Procedures:</p> <p>TF/PR01 Landscape Maintenance Service  TF/PR02 Raising Factoring Accounts  TF/PR03 Processing re-sales  TF/PR04 Debt Management Process  TF/PR05 Managing Owners Accounts &amp; Arrears</p>

## Appendix 1 Types of Owners and Property Numbers

<b>Factored</b>	432	Historical relationship Title conditions give way to charge	Written Statement of Services	Billed twice per year
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				(June and November)
<b>Factored Niddrie Hays</b>	6	Private owned block Title conditions give way to charge	Written Statement of Services	Sinking fund and billed twice per year (June and November)
<b>Factored West Cherrybank</b>	20	Private owned flats	Written Statement of Services  Operated through MEAL	Billed twice per year (June and November)
<b>Admin</b>	1067	Historical relationship Title conditions give way to charge	Written Statement of Services	Billed once per year (August)
<b>Currently Do Not Factor</b>	276	Historical relationship Title conditions do not give way to charge	Lettering and cooperation	Generally no billing required