



Clydebank Housing Association Ltd.

Factoring Policy

Finance, Staffing & G.P. Sub-Committee submission: 18 April 2017

Approved: 18 April 2017

Review date: April 2020

This policy can be made available on request in a variety of different formats, such as on tape, in large print and translated into other languages.

1. Introduction

This policy has been devised to show how Clydebank Housing Association Ltd (Clydebank HA) operates its factoring services.

Clydebank HA provides factoring services to mixed tenure blocks, mixed tenure estates, shared ownership blocks, commercial premises and one fully owned block.

2. Scope

The aim of the factoring service is to ensure that commonly owned parts are both satisfactorily maintained and adequately insured (where applicable) and that the full costs involved are recovered.

The factoring service covers the following activities: -

- Provision of Written Statements
- Carrying out repairs and maintenance to common areas
- Management of services
- Arranging adequate buildings insurance cover (where applicable)
- Consultation with owners and arranging owners' meetings when necessary
- Provision of advice and information
- Issuing of factoring invoices
- Debt collection and arrears management

3. Principles

The following principles govern the effective operation of this policy:

- Clydebank HA's advice to owners will be impartial and factual, in relation to both works required and actions necessary for compliance with title deeds.
- Clydebank HA will encourage owners to take an active part in decisions about property management and will actively promote owners' meetings and focus groups.
- Clydebank HA will account clearly for monies held on behalf of owners. We shall require a float in respect of each property within the full factoring service.
- Clydebank HA's processes for selecting contractors and specifying works to be done will be fair, open and accountable. Procurement will be in accordance with Clydebank HA's Procurement Policy.
- Clydebank HA will take appropriate action to recover all monies due and prevent the accumulation of high arrears. This will be carried out in accordance with the Factoring Debt Recovery Procedure.

- The title deeds will provide the parameters within which the scope and terms of Clydebank HA's appointment as factor will be established. If the title deeds are silent on such matters, our appointment will be established in accordance with the Tenements (Scotland) Act 2004 or the Title Conditions (Scotland) Act 2003.

4. Objectives

Our objectives are to ensure that we:

- are registered with the Scottish Government as a Property Factor
- comply with the Code of Conduct (Property Factors (Scotland) Act 2011)
- comply with all other relevant legislation and apply good practice in all our activities
- provide a high quality factoring service, communicating and liaising closely with homeowners
- are accountable and open when resolving disputes with owners
- have adequate IT systems in place to ensure that records are accurate and charges are apportioned correctly
- have robust accounting practices and are able to demonstrate that our Management Fee is sufficient to cover our costs of providing the service
- maximise the recovery of monies owed by owners and to minimise arrears and bad debts
- have sufficiently skilled and trained staff to enable us to deliver the factoring service

5. Implementation

All relevant staff have a responsibility to ensure that the policy is implemented as instructed. The policy will be implemented by:

- ensuring that appropriate procedures are in place for compliance with the policy
- complying with the Code of Conduct and the terms of the Written Statements
- regularly reviewing and improving our procedures
- setting targets for debt recovery and customer satisfaction and monitoring our performance against target

6. Regulatory and Legislative Framework

Title Deeds/Deeds of Conditions are legally enforceable sets of rights and obligations, for both the owners and the appointed factor. Clydebank HA will ensure compliance with the terms of the Titles/Deeds in providing the factoring service.

Clydebank HA's factoring service will be delivered in accordance with the following legislation:

- The Title Conditions (Scotland) Act 2003
- Tenements (Scotland) Act 2004
- Property Factors (Scotland) Act 2011
- The Data Protection Act 1998
- The Equality Act 2010

7. Monitoring, Performance & Reporting

The following areas will be monitored on a regular basis: -

- Compliance with policy, through regular review of procedures and close working relationships between the relevant departments.
- Levels of factoring arrears and the annual debt recovery rate achieved.
- Levels of customer satisfaction through feedback from quarterly satisfaction surveys and analysis of the complaints/compliments register.
- Ensuring staff are appropriately trained and have the knowledge required to provide a high quality factoring service.
- The adequacy of insurance cover and risk management, through periodic re-instatement valuations of stock, regular tendering for insurance services and through risk assessments carried out on a cyclical basis in accordance with the Risk Management Strategy.

Any matter which demonstrates a serious failure in internal controls will be reported immediately to the Chief Executive.

Periodic audits of policy compliance will also be conducted by the Internal Auditor, the outcome of which will be reported to the Management Committee.

8. Other Relevant Policies

The following policies will also influence Clydebank HA's delivery of the factoring service: -

- Repairs and Maintenance Policy
- Procurement Policy

- Estate Management Policy
- Data Protection Policy
- Equality and Diversity Policy
- Customer Care Policy
- Openness and Confidentiality Policy

9. Complaints

Clydebank HA has a clear written procedure for dealing with complaints, which outlines the steps we will take when an owner is dissatisfied with the factoring service. The Complaints Handling Procedure will be provided to all new owners, together with their Written Statement, in advance of their purchase (provided we have received prior notification) or as soon as we are made aware of their purchase.

We will keep a record of all complaints received, including the outcome of the complaint and any improvements to our services implemented as a result.

Owners who remain dissatisfied following the outcome of their complaint or dissatisfied with how their complaint was handled, may make an appeal to the First-tier Tribunal for Scotland Housing and Property Chamber.

10. Equality and Diversity

Our commitment to equal opportunities and fairness will apply irrespective of factors such as race, sex, disability, age, gender reassignment, marriage & civil partnership, pregnancy & maternity, religion or belief and sexual orientation.

11. Policy Availability

This Policy is available on Clydebank HA's website www.clydebank-ha.org.uk.

Copies are available on request.

This Policy can be made available in other formats if required.

For Office Use Only – Actions

Customer Consultation Required/Arranged	No
Intranet Update	Yes
F Drive Update	Yes
Website Update	Yes
Leaflet change required?	No
Newsletter Promotion?	Yes
Other information updated, e.g. posters, automatic email responses, post cards, answering machine messages, etc.	No
Equality Impact Assessment completed	Yes
Policy Declarations signed by staff	N/A