



## **Factoring – Policy Statement**

### **1. Background**

1.1 Factoring is the term used for the arrangements for managing repairs and maintenance to common parts in flats and for any service costs incurred and for recovering a share of those costs from Owners.

1.1 The Tenement (Scotland) Act 2004 encourages owners of flats to establish effective arrangements for managing communal repairs and maintenance. In particular, where the Deed of Conditions is silent or unworkable the “Act” provides procedures for the management and maintenance of the scheme property.

### **2. Aims**

We will:-

2.1 Aim to ensure that all Council properties and privately owned properties in mixed tenure blocks of flats are well maintained and repaired.

2.2 Ensure that Owners are made aware of their obligations for mutual repairs, scheme costs and maintenance of common parts.

2.3 Arrange for work to properties and recovery of costs having regard to the relevant Deed of Conditions. However, where the Deeds are silent or unworkable the Council will use the procedures contained in the Tenement (Scotland) Act 2004 to arrange for essential work to be carried out.

2.4 Consult with Owners prior to carrying out Cyclical Maintenance, Capital Work or Improvement Work in mixed tenure blocks of flats.

2.5 Carry out emergency work to common parts in accordance with its legal obligations as a landlord and Property Manager.

2.6 Seek competitive estimates for major items of work.

- 2.7 Give owners the option for arranging for work to be carried out in the first instance, other than for routine or emergency repairs. Where Owners wish to arrange for work to be carried out the Council will consider such proposals provided the costs are reasonable, the contractors have relevant insurance cover and the work will be completed to a satisfactory standard.
- 2.8 Ensure that owners are given the opportunity to make reasonable arrangements for the repayment of any work carried out by the Council
- 2.9 Ensure that Tenants exercising the Right to Buy their flat will be provided with information prior to the sale relating to the property and will be given details of likely future repair and maintenance.

### **3. Objectives**

We will:-

- 3.1 Provide a responsive, efficient and cost effective Factoring service for Owners.
- 3.2 Seek to obtain consensus with Owners prior to proceeding with any work.
- 3.3 Be open and transparent with Owners with regard to likely costs for any work or service to be provided.
- 3.4 Encourage Owners to participate in consultation with the Council with regard to property matters affecting them and to form or join local tenants/residents groups to represent their views.

### **4. Property Management**

- 4.1 Since the introduction of the Right to Buy scheme the Council has by default been the "Property Manager" for all mixed tenure blocks of flats containing former Council properties. The Tenement (Scotland) Act 2004 entitles the Council to remain as Property Manager (Factor) for 30 years after a RTB sale or until all the properties in a block have been sold.
- 4.2 The Council will retain the role of Property Manager where it owns a property in a block of flats unless a majority in a block wish to appoint another Property Manager. Council owned properties will be counted as a vote in favour of retaining the Council as Property Manager.
- 4.3 Where the Council sells all the properties in a block of flats it will relinquish its role as Property Manager.

**5. Equality and Diversity**

- 5.1 In all aspects of factoring, we will seek to combat discrimination and promote equal opportunities for all tenants and residents with regard to all aspects of policy and procedure. This means the prevention, elimination or regulation of discrimination between persons on grounds of age, sex, race, religion, disability or sexual orientation.
- 5.2 The Council will comply with the European Convention on Human Rights at all stages of the Factoring service.

**Approved by Social Work and Housing Committee on 21 June 2007**