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Owners' Guide to our Factoring Service



**SHETTLESTON
HOUSING
ASSOCIATION**



building communities
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Owners' Guide to Shettleston Housing Association's Factoring Services

Shettleston Housing Association owns more than 2,300 homes in the Shettleston, Sandyhills, Springboig and Greenfield areas. Many of these are flats in tenements and as such share common areas with other owners. The Association also owns houses that share common elements with their neighbours and in some instances both the Association and other owners share responsibility for common landscape areas.

All of these areas of shared or common responsibility must be managed and this is traditionally the job of a factor. The Association provides a factoring service alongside its ownership role and this leaflet explains the main elements of this service.

Introduction to factoring

What is a factor?

A factor is a person or an organisation who manages the common parts of a property or estate on behalf of the owners. The factor is appointed by the owners and acts on their behalf to keep the property in a good state of repair and to apportion costs for common repairs or other works. The common parts of a property include the structure itself, the roof, close and common stair and any backcourt or common landscape area.

What is a common repair?

A common repair is a repair for which all residents of the property are jointly responsible. Whether in a tenement, apartment block or

estate, the Title Deeds or Deed of Conditions will set out the rules of operation and outline how the costs of any common repairs are allocated amongst the owners. These documents also set out the amount of money the factor is allowed to commit for common repairs, before seeking the agreement of owners.

Owners' responsibilities

Owners have a responsibility to keep their property and its common parts maintained. Owners are required to pay for common repairs and, where a factoring service is provided, to pay any management fees. When a property is sold, the new owner takes over responsibility for maintaining the property and paying for the factoring service.

The Association's factoring service

The Association offers a factoring service to owners within tenements and estates in its area and this leaflet sets out the key elements of the service. Full details on the Terms and Conditions of the service are available in our *Factoring Terms and Conditions* booklet which is available at our office or on our website at www.shettleston.co.uk/factoring.

Reactive common repairs

The Association will organise, instruct and monitor common repairs to factored properties. The Association will aim to carry out these repairs within the timescales laid down in its Maintenance Policy i.e. emergency repairs within 12 hours, urgent repairs within four working days and routine repairs within 15 working days.



Cyclical (long-term) common repairs

The Association also offers a longer term maintenance programme aimed at preventing properties falling into disrepair. Cyclical repairs include annual gutter cleaning and roof maintenance, close and window painting (usually every five years).

Insurance cover for building and common areas

The Association insures its own properties at very competitive rates and can include owners' properties in these block insurance arrangements. Our insurance will cover common areas as well as individual properties, which all owners are required to have.

Additional services

If all residents in a tenement block agree to it, the Association can provide close cleaning and backcourt caretaking services in addition to its reactive repairs service.

The Association can also carry out private garden maintenance and private/internal repairs to owners' properties. However, owners who would like to use the private repair service are required to pay for the work in advance.



Paying for the factoring service

Management charge

The Association charges a management fee to all owners in tenement closes or blocks who receive the factoring service. This charge covers the administrative cost of providing the service, including our quarterly billing service, periodic property inspection, owners' meetings and all other communication and publicity.

Additional administration costs

Owners who do not live in tenement blocks are not subject to the full Management Charge but are charged an administration fee on

top of each individual service they receive. Full details of the fees are set out in our *Factoring Terms and Conditions*.

Floats

Where it is agreed, the Association will maintain a 'float' of £50 on behalf of individual owners in a property. The float is used to pay for ordinary repairs to the property. Repairs and other fixed costs will continue to be billed on a quarterly basis and owner-occupiers will be required to pay and keep the floats available for bills to be paid in the next quarter.

When the owner sells the property, the float will be refunded once the balance due, up to the date of sale, has been cleared.

Insurance – how the Association can help

Building insurance

The Association is able to include owners' properties in its block building insurance policy. Use of the Association's insurance will mean that owners can be assured that all aspects of their liabilities are covered. Owners in traditional tenements and four-in-a-block properties have to make certain that their insurance includes common areas and the Association's buildings insurance policy provides this cover. Owners must also, if they decide to arrange their own building insurance, ensure that the value covered is sufficient. If it is found not to be, the factor often has the power to arrange sufficient cover and charge the owner accordingly.

Contents insurance

Owners should be aware that insurance cover for contents is not included in buildings insurance. We do not insure your furniture, belongings or decoration against theft, fire, vandalism and burst pipes and other household risks. You need to take out your own insurance.

Ownership costs

The Association is aware that many owners have difficulty in meeting the costs of home ownership, particularly when faced with a lump sum bill for a major repair. The Association wants to keep its properties and common areas well maintained, so we will try to

assist owners where we can. The Association can offer owners the opportunity to build up a fund to meet costs by paying for them on a monthly or other agreed basis. If an owner sells his/her flat, the accumulated fund for that property will be refunded less any outstanding balance due to the Association.

Rather than saying “no” to work on properties because of cost, we would appreciate it if you contacted us to discuss ways in which the Association might help.

Communicating with you

The Association is committed to continually improving the service we offer to owners. To this end, we are happy to meet with owners, individually or collectively, to discuss issues of concern or to consult with you over new proposals.

We welcome all of your comments and in particular we welcome feedback through our *How Well Did We do?* cards. These are available at the office or online at <http://www.shettleston.co.uk> and click on the *How Did We Do* button.

If you would like further information about our factoring service, please contact us on **0141 763 0511** and ask for a factoring officer. Alternatively, you can contact the factoring team by sending us an email at factoringteam@shettleston.co.uk.



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