



Dunbritton Housing Association Limited

Name of Policy	Factoring
Responsible Officer	Head of Finance & Corporate Services
Date approved by Board	March 2022
Date of next Review	March 2025

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1. INTRODUCTION

- 1.1. Dunbritton Housing Association is a registered social landlord established in 1992 to provide housing for social rent and services to owners.
- 1.2. We are governed by our Board of Management. Our governance arrangements set out clearly the roles and responsibilities of our Board of Management and our members of staff.
- 1.3. Operational services are delivered through our office based at 1 Hatters View, Dumbarton, G82 1AW.
- 1.4. An annual survey will be conducted with all owners to ascertain if they are satisfied with the service and to identify any areas where we could improve in service delivery.

2.0 PRINCIPLES AND OBJECTIVES

- 2.1 The main objectives of this policy are to ensure the Association discharges its legal responsibilities in relation to the factoring service, has an appropriate charging policy and debt recovery arrangements, where required, has the provision of insurance.
- 2.2 To fully comply with the Code of Conduct which sets out minimum standards of practice for registered property factors.
- 2.3 The Association endeavours to maintain effective communication with our factored customers to ensure their needs are met. This is achieved through the Factoring Survey, issued annually and regular area meetings as and when required, either in person or by Zoom.
- 2.4 Dunbritton offers a tailored factoring service in mixed tenure properties and estates for the benefit of owner occupiers, which may include core services such as insurance, common repairs, common close cleaning, common ground maintenance, planned maintenance, management, and administration as applicable. Owners include private owners, sharing owners and shared equity owners.
- 2.5 The Association aims to provide a factoring service to owners, which ensures that the common parts are satisfactorily maintained and insured. We will arrange and oversee the maintenance, general up-keep and any improvements required to be carried out on the common parts of the building where appropriate, including the cyclical maintenance programme.
- 2.6 To give impartial and factual advice to owners in relation to both works required and actions necessary for compliance with Title Deeds and the Property Factors (Scotland) Act 2011. To arrange and oversee the maintenance, general up-keep and any improvements required to be carried out to the common open spaces.

- 2.7** To be accountable and open with regards to dispute resolution for homeowners we will endeavour to offer a high-quality responsive factoring service to owners, and to communicate, consult and liaise with homeowners. We shall consult owners on a regular basis or when requested and we shall look to minimise the opportunity for neighbour disputes between factored owners and tenants of Dunbritton Housing Association Limited.
- 2.8** To provide a factoring service that considers issues such as affordability and value for money to the owners receiving the service.

3. LEGAL AND GOOD PRACTICE

- 3.1** To have regard to the law, Deed of Conditions, decisions of the Lands Tribunal for Scotland and Guidance issued by the Scottish Housing Regulator and other regulatory bodies.
- 3.2** In terms of the Deed of conditions that pertain to our factored properties the Association is required, where possible, to ensure that there is a Factoring agreement in place with each owner that receives the service. (Appendix 1).
- 3.3** The Property Factors (Scotland) Act 2011 was passed by the Scottish Parliament and came into force on 1 October 2012. This legislation is designed to regulate the property factoring industry and provide increased protection for homeowners who receive factoring services.
- 3.4** It is compulsory for all property factors in Scotland to register with the Scottish Government and adhere to the Code of Conduct. The Association is registered, and our registration number is PF000313.
- 3.5** The Code of Conduct sets out the minimum standards of practice that we must follow as a property Factor. Under the Code of Conduct, property factors must issue owners with a Written Statement of Service (Appendix 2), together with an appendix specific to each area detailing the services pertaining to the area (Appendix 3) outlining the terms and conditions of the services provided and state their “authority to act” as factor.

4. FINANCIAL MATTERS

4.1 Management / Administration fees.

- 4.1.1 The Association has a quarterly Management fee or Admin fee that will be applied for the provision of the Factoring service. Details of the services provided are confirmed within the Written Statement of Services issued to all owners.

The Management Fee is the charge for managing communal areas of a block or development, which an owners' property forms part of.

The Admin Fee is a charge for areas where the Association only

maintains the common land on behalf of owners.

4.12 The above charges will be reviewed on an annual basis and all owners will be notified 4 weeks in advance of receipt of the first quarters invoice covering period 01 April to 30 June.

4.13 New owners are required to pay a Factors Float to the Association. The applicable amount is determined by the relevant clause within the Deed of conditions for their property.

4.2 Rechargeable Costs

4.21 The Association reserves the right to charge additional sums to owners where the necessary work was agreed in advance by owners' or in an emergency situation where the Association is required to act without the owner's prior approval, in the best interests of owners and their respective properties.

4.22 Instruct minor repairs up to a fixed sum (as contained in each title deed) – and to obtain the necessary authority from the owners where larger repairs are required.

4.23 To invoice owners and to be accountable for expenditure incurred on their behalf. To clearly show financial and charging arrangements and to recover outstanding debts as is necessary.

4.3 Arrears

Dunbritten will always pursue owners who fail to pay their accounts. Any expenses incurred from legal actions will be included in the total sum due for repayment.

After the owners account has been issued, the Association's debt recovery procedure will be as follows:

14 days	reminder
4 weeks	2nd reminder including late payment fee of £20
6 weeks	instructions to our Solicitors which will incur additional legal costs for an owner

4.4 Potential Legal Action

4.4.1 Pre-Litigation

Prior to any action being taken against an owner, the Association's Solicitor will send the owner a letter giving them the opportunity to pay the outstanding balance in full or to make a payment arrangement to repay the arrears.

4.4.2 Simple Procedure Court Action

If there has been no response to the letter issued by the Association's Solicitor, a Simple Procedure Court Action will be raised against the owner. A claim form will be completed and lodged with the Sheriff Court who will then

issue a Timetable assigning a last date for service of the claim on the owner and a last date for a response to be lodged to the action by the owner. The claim form will then be served on the owner, the respondent by a Sheriff Officer. At this stage the owner will be required to respond to the court by the last date for a response by completing the appropriate response form and lodging this with the court. Judicial Expenses can be awarded by the court in a Simple Procedure, which may increase the amount the owner will have to repay.

If the level of arrears is in excess of £5,000 the owner will be subject to a different type of court procedure, known as Ordinary Cause. An Initial Writ (court action) will be served upon the owner, and they shall have 21 days from date of service to lodge a response with the Sheriff Court.

4.4.3 Decree

A decree is a final judgement awarded by the court which forms a legal contract for the owner to ensure repayment of the outstanding sums. If the owner lodge a response seeking Time to Pay and this is granted by the court, the Association will be awarded an instalment decree. The owner is then required to make payment at the rate and frequency as set out in the instalment decree.

4.4.4 Enforcement

If the Association has obtained a decree (final judgement) against the owner, which is not an instalment decree, it will be enforced by one of the methods of diligence offered by law.

4.4.5 Charge for Payment

This is a formal demand served by Sheriff Officers following a successful award of decree. It will demand payment within fourteen days and if it is not complied with, Sheriff Officers can be instructed to proceed with further enforcement action.

4.4.6 Earnings Arrestment

Will require your employer to deduct a specified sum from your earnings to repay your debt.

4.4.7 Arrestment

An Arrestment can be made in the hands of a third party who is due to make payment for the owner, e.g., rent payment from a tenant. An Arrestment can also be placed against Bank and Building Society Accounts.

4.4.8 Attachment

An Attachment decree will be granted by the Sheriff to enable Sheriff Officers to recover valuable goods to offset any monies against your factoring account which could include car, caravan, or motorcycle.

4.4.9 Notice of Potential Liability for Costs

This notice is registered in the Land Register of Scotland against the title to the owner's home. It shows to any potential new buyers that the debt is

outstanding and that they will become responsible for paying it if they buy your home without first requiring that the arrears are settled in full with us.

4.5 Write Off

Outstanding debt will only be written off if it is not financially economical to pursue the debt or if all other methods listed above have been exhausted and there are no prospects of recovery.

If a Decree has been awarded by Dumbarton Sheriff Court, this remains live for 20 years. Therefore, the debtor will continue to have a high arrears balance until the Decree has expired.

5. POLICY REVIEW/ PERFORMANCE

- 5.1** The Association's performance targets for factoring arrears are included within our Internal Management Plan and are reviewed annually.
- 5.2** The Association's Board of Management monitors performance on collection of factoring charges. Monitoring reports are produced every twelve months with performance outcomes reported to the Board.
- 5.3** The Association will ensure that all standards are met in relation to contractor selection, tendering and inspection procedures, taking into account all other relevant Association Policies.
- 5.4** The Association's factoring procedures will be reviewed on a 3 yearly basis. It may also be reviewed earlier to implement any feedback from owners, changes to legislation or to adopt any good practice updates or to ensure continuous improvement in the service provision.

6. CUSTOMER SERVICE

- 6.1** The Association recognises the important role of customers in shaping service improvement.
- 6.2** We will treat any information we receive from our customers in line with the Privacy Policy. Ensuring that the information is held in strict confidence and will not be disclosed to any third parties without the customer's consent.
- 6.3** Our aim is to get it right first time for every customer, if we do not, we have a Complaints & Behaviour Policy which customers can refer to when they are dissatisfied with the service. Our Complaints Handling leaflet is available from our office, our website or available on request via telephone.

7. EQUALITY & DIVERSITY

- 7.1** Dunbritton is committed to promoting an environment of respect and understanding, encouraging diversity, and eliminating discrimination by providing equality of opportunity for all. Throughout Dunbritton there will be a consistent approach in promoting equality and diversity across all areas of the business including the

services that we deliver to our tenants, residents, and other customers within the community.

8. LINKS WITH OTHER POLICIES

8.1 Our Factoring Policy is supported by and links to a number of other Policies and strategies – details of these are shown below

- Data Management Policy
- Equality and Diversity Policy
- Our Internal Management Plan & Corporate Plan
- Procurement Strategy Policy
- Complaints & Behaviour Policy

APPENDIX 1 – FACTORING AGREEMENT



This is a FACTORING AGREEMENT

Between

Dunbritton Housing Association Ltd, a registered society under the Co-operative and Community Benefit Societies Act 2014 (Registration Number 2421R(S)) and a registered Scottish Charity (Charity Number SC036518), having its registered office at 1 Hatters Lane, Dumbarton, G82 1AW (the "Association")

And

.....(the "Owner")
of

.....(the "Property")

At

..... (the "Development")

CONSIDERING THAT the Association is the property factor for the Development (Property Factor ID: PF000313) and manages repairs and maintenance to common parts and/or amenity ground within the Development (the "Factoring Service"), this Factoring Agreement sets out the terms on which the Association will provide the Factoring Service to the Owner.

1. Interpretation of this Factoring Agreement

1.1. Definitions:

"Common Owners" means collectively the Owner and the other owners, including those who own a share in their property under a shared ownership scheme, who are responsible for the costs of the Common Repairs either because they own a share of

the Common Parts or because it is a condition of their titles that they are liable to meet the costs of the Common Repairs.

"Common Parts" means the areas within the Development which the Association manages and maintains on behalf of the Common Owners.

"Common Repairs" means such repairs, maintenance and renewal works as may require to be carried out to the common parts of the Development for which the Owner and owners of other properties within the Development are responsible and shall include all common cyclical and planned maintenance, day to day reactive repairs, emergency repairs and, where appropriate, major repairs.

- 1.2. Where the expression "Owner" includes more than one person all obligations on the part of the Owner herein contained shall be binding jointly and severally on them and the survivor or survivors of them, all in accordance with the title deeds for the Property.
- 1.3. Words importing the singular number include the plural number and vice versa and words importing gender include any other gender.
- 1.4. Obligations made or assumed by any individual shall be binding and enforceable against his executors and personal representatives.
- 1.5. A reference to a statute, statutory provision or subordinated legislation is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it and any former statute or statutory provision which it amends or re-enacts.

2. The Factoring Service

- 2.1. In undertaking the Factoring Service, the Association and the Owner agree that the Association will:
 - (a) Instruct emergency Common Repairs as and when required.
 - (b) Obtain estimates or carry out a tender exercise for proposed Common Repairs, where appropriate, but not in the case of an emergency.
 - (c) Notify the Owner of costs of Common Repairs likely to exceed £ per property in accordance with clause 3 of this Factoring Agreement.
 - (d) Consult the Owner on Common Repairs likely to exceed £ per property in accordance with clause 3 of this Factoring Agreement.
 - (e) Instruct minor day-to-day reactive Common Repairs.
 - (f) Plan, arrange and oversee a programme of cyclical planned maintenance of Common Parts (where appropriate).
 - (g) Insure the Common Parts in accordance with clause 5 of this Factoring Agreement.
 - (h) Apportion costs for Common Repairs and render invoices on a quarterly basis or at other such intervals that may be agreed between Common Owners and the Association.
 - (i) Take steps to recover any debts due to the Association by the Common Owners in accordance with clause 7 of this Factoring Agreement.

- (j) Provide other such additional services, including improvement works, as requested by Common Owners and agreed to by the Association.
 - (k) Monitor the Factoring Service to ensure that Common Owners abide by the terms of the title deeds in their use of the common property and to take any necessary action.
- 2.2. The Association will have no liability to the Owner or other persons for the Owner's failure to instruct repairs on the Association's own initiative following a visit to the Development by the Owner.
- 2.3. The Factoring Service only applies to Common Repairs of Common Parts. However, the Association may agree with the Owner that the Association will instruct works to the Property on behalf of the Owner, but subject to the payment in advance for the works undertaken or, at the Association's discretion, the Owner's written undertaking to meet the costs of such works.

3. Delegated Authority

- 3.1. The Owner authorises the Association without prior notification to the Owner to instruct Common Repairs of an anticipated value of One hundred and fifty pounds (£150) Sterling or less per household or such other value as may be stated in the Owner's title deeds or agreed between the Common Owners.
- 3.2. Common Repairs exceeding an anticipated value of One hundred and fifty pounds (£150) Sterling will not be instructed without prior consultation with the Common Owners, in terms of which the Association will notify the Owner of the proposed works and estimated costs. In the absence of objections to the proposed Common Repairs within a 7 day notice period, the Owner will be deemed to be in full agreement to the Common Repairs proceeding.
- 3.3. Notwithstanding clause 3.2 above, where there appears to the Association to be an emergency or a potential danger to life or property (such as works required as a result of fire or storm damage), the Association may instruct such Common Repairs as it considers necessary in the circumstances without prior notification to or consultation with the Owner.

4. Apportionment of Repairs/Maintenance Costs

Costs of Common Repairs will be apportioned in accordance with the Owner's share of responsibility for the Common Parts as detailed in the Owner's title deeds, or where the title deeds relating to the Common Parts are silent or inconsistent with the other Common Owners' title deeds, the Owner's apportioned share will be as detailed below:

Amenity areas / open spaces in Development:	1/[50 th]
Footpath at [insert addresses who share footpath]:	1/[? th]

5. Buildings Insurance

- 5.1. The Association will provide a common block buildings insurance policy, which will, where appropriate, cover the Property and the Common Parts.

- 5.2. The Owner is obliged to participate in this insurance scheme unless otherwise agreed with the Association.
- 5.3. The Owner will pay their share of the annual premium as notified to them by the Association on an annual basis.
- 5.4. Where the Association gives consent to the Owner taking out their own buildings insurance for the Property or the Common Parts, the Owner requires to provide evidence on an annual basis that an appropriate insurance policy is in place. Should this evidence not be provided, the Association will insure the property on the Owner's behalf and the whole annual premium will be applied.

6. Charges and Fees

- 6.1. The Owner will pay to the Association the following charges and fees to cover the Association's costs of providing the Factoring Service:
 - (a) Management/admin fee (payable in arrears)
 - (b) Buildings Insurance premium (payable full year in advance)
 - (c) Public liability insurance covering common open spaces (payable full year in advance)
 - (d) Close cleaning (payable in arrears)
 - (e) Ground maintenance (payable in arrears)
 - (f) Common Repairs completed since previous invoice (payable in arrears)
 - (g) Communal electricity (payable in arrears)
 - (h) Any agreed outlays incurred by the Association on behalf of the Owner
 - (i) Such other properly incurred charges and fees as the Association may notify to the Owner from time to time.
- 6.2. The management and/or admin fee payable by the Owner to the Association will be reviewed annually as at 1 April and notified to the Owner thereafter.
- 6.3. Quotes, invoices and estimates from private contractors will be available at the Owner's request for the Owners to inspect within a period of 14 days following the issue of the relative invoice, consultation or notification letters being issued to private owners. The Association reserves the right to charge a fee for any copy documentation requested by or on behalf of the Owner.

7. Factoring Float

- 7.1. Upon commencement of the Factoring Service, the Owner requires to pay to the Association a factoring float of One hundred and fifty pounds (£150) Sterling, or such other amount as may be stated in the Owner's title deeds.
- 7.2. The factoring float will be held by the Association for the purpose of having funds available to meet the cost of Common Repairs on behalf of the Common Owners prior to recovering any outlays through the Association's accounts.
- 7.3. The full amount of the factoring float will be included in the Association's first invoice to the Owner for the Factoring Service.
- 7.4. The Association will refund the factoring float to the Owner upon termination of this Factoring Agreement.

8. Terms of Payment

- 8.1. The Owner must make prompt payment of all sums due to the Association in terms of this Factoring Agreement within 28 days from the date of the invoice or within such other time period as the Association may permit.
- 8.2. The sums are deemed to have been received on the date on which the Owner's payment is shown as having been credited to the Association's bank account statement.
- 8.3. The Owner can make payment to the Association by any of the following means:
 - (a) Instalments if agreed in advance with the Association. Instalments may be reviewed from time to time by the Association to ensure that the amount of the instalments is sufficient to cover the amount due to the Association.
 - (b) Standing Order, which can be set up by contacting the Association's Finance Department.
 - (c) Debit card by Chip & Pin facility at the Association's office or over the telephone to the Association's Finance Department.
 - (d) Cheque payments to the Association's office by post or in person.
- 8.4. If the Owner fails to make payment of any sums due to the Association by the due date then the Association will be entitled to take any steps it considers necessary to recover the sums due, all in terms of the Association's debt recovery policy.
- 8.5. In the event of non-payment by the Owner, the Owner will also be liable to pay interest on the sums due and all expenses reasonably incurred by the Association, including court expenses and the registration dues on any Notice of Potential Liability for Payment and Discharge of a Notice of Potential Liability for Payment.

9. Obligations on Owner to notify Association

The Owner must promptly notify the Association: -

- 9.1. If the Owner becomes aware of any defects to the Common Parts.
- 9.2. If the Owner becomes aware of unsatisfactory workmanship to the Common Parts.
- 9.3. Of any change to the Owner's contact address.
- 9.4. Of the Owner's intention to sell the Property or change the names on the title deeds to the Property.
- 9.5. If the Owner moves out of the Property and leases the Property to another person. In which case, the Owner will require to confirm to the Association that it has registered as a private landlord with the appropriate local authority.
- 9.6. Of any decision by the Common Owners which affects the Association, including any decision to dismiss the Association as factor or vary the title conditions.

10. Termination of this Factoring Agreement

10.1. Change of Ownership

- 10.1.1. In the event of the Property being sold, the Owner must instruct their solicitor to notify the Association in writing of the date of sale, the new owner's full names, contact address and their solicitor's details. The Owner must make the incoming owner aware of this Factoring Agreement and the appointment of the Association as property factor.

10.1.2. On notification of the change of ownership the Association will apportion all the costs applicable to the Property due for the period to the date of sale and any overpayment or underpayment will be paid within 60 days of the date of sale.

10.1.3. The Owner will pay to the Association a fee to cover the administration costs of change of ownership, the amount of which will be notified to the Owner by the Association.

10.2. Dismissal of the Association as Factor

If the Common Owners agree (either in terms of the title deeds or, if the title deeds are silent, by a majority vote) to dismiss the Association as property factor then this Factoring Agreement will come to an end three months following the date of that decision or within such other time period as may be specified in the title deeds or agreed between the Common Owners and the Association.

10.3. Resignation by the Association

If the Association resigns as property factor by giving three months' prior written notice to the Owner, this Factoring Agreement will come to an end three months following the date of that notice or within such other time period as may be specified in the title deeds or agreed between the Owner and the Association.

10.4. Termination Procedure

10.4.1. Upon termination under clause 10.2 or 10.3 of this Factoring Agreement, if no other property factor is appointed by the date of termination, the Association will provide the Owner with all financial information relating to the Owner's account within three months, unless this is not reasonably practicable (such as where the Association is awaiting final bills relating to contracts which were in place for works and services), and will return or demand any balance due by or to the Owner within 60 days of the date of termination.

10.4.2. Upon termination under clause 10.2 or 10.3 of this Factoring Agreement, if another property factor is appointed to take over the Factoring Service, the Association will make arrangements direct with the appointed property factor to provide them with all such financial information as may be required. The Association may transfer any factoring float or credit balances due to the Owner direct to the appointed property factor. The Owner will continue to be liable to the Association for any outstanding sums due under this Factoring Agreement.

11. Assignment/Nomination

11.1. Subject to anything in the title deeds to the contrary: -

11.1.1. the Association shall be entitled to assign its rights under this Factoring Agreement to a third party to act as property factor should the Association, in its sole discretion, deem it appropriate; and

11.1.2. the Association shall be entitled to nominate a third party from time to time to act on their behalf (as the Association's agent) in respect of the whole terms of this Factoring Agreement.

and that without the consent of the Owner.

11.2. The Association will notify the Owner in writing of any assignation or nomination under this clause.

12. Service of Notices

Any notice, intimation or communication required to be given or sent under this Factoring Agreement shall be in writing and shall be delivered either personally or by recorded delivery post to the Association at their registered office or to the Owner at the Property or such alternative address as is formally intimated to the Association.

13. Registration

The Association and the Owner consent to registration of this Factoring Agreement for preservation and execution. In the event that this Factoring Agreement is registered by either party in the Books of Council and Session, the Owner shall be liable for the registration dues and of obtaining two extracts thereof (one being provided for the Association and one for the Owner); IN WITNESS WHEREOF these presents together with the schedule annexed hereto are subscribed as follows: -

I/We.....
.....(Owner/s Name(s))

Of.....
.....(Property Address)

Hereby accept the foregoing conditions and my (our) signatures (s) is (are) evidence that I (we) agree to be legally bound by the terms of this Agreement.

Signature(s).....
.....

Date.....

Place of signing (town/ city)
.....

Signature(s) of Witness
.....

Full Name of Witness
.....

Address of Witness
.....
.....

On behalf of Dunbritton Housing Association Limited, I hereby agree to the foregoing conditions

Signature(s).....
(Board Member / Authorised Signatory) **Delete as appropriate*

Full Name.....

Date.....

Place of signing (town/ city)
.....

Signature(s) of Witness
.....

Full Name of Witness
.....

Address of Witness
.....
.....

APPENDIX 2 – WRITTEN STATEMENT OF SERVICE



WRITTEN STATEMENT OF SERVICES

Property Factor Register No - PF000313

INTRODUCTION

These are the terms and conditions for the provision of a factoring service to property owners by Dunbritton Housing Association Ltd, 1 Hatters Lane, Dumbarton, G82 1AW. We are referred to as “Dunbritton” or the “Association” in this document.

Dunbritton is a registered property factor as defined within the Property Factors (Scotland) Act 2011 (the “2011 Act”), registration number PF000313. As a registered property factor, Dunbritton is legally required to be registered with Scottish Government as a property factor, use its Property Factor Registered Number on correspondence, and ensure compliance with the Code of Conduct which is provided for in the 2011 Act. The Code of Conduct was originally approved by the Scottish Parliament as part of the implementation of the 2011 Act and came into effect on 1 October 2012. A revised code has recently been published and took effect from 16 August 2021. In this document we refer to the revised Code of Conduct as the “Code”.

It is the responsibility of Dunbritton to arrange and manage the general upkeep of open spaces and amenity areas which have not been adopted by the local authority, and in some

instances, the common parts of the larger building of which your home forms part. As required under the Code, this document constitutes a Written Statement of Services setting out the arrangements in place between homeowners and sharing owners and Dunbritton. These are the terms and conditions for the provision of a factoring service to owner occupiers/sharing owners by Dunbritton Housing Association Limited, registered under the Co-operative and Community Benefit Societies Act 2014 (Registered Number 2421RS) having our Registered Office at 1 Hatters Lane, Dumbarton, G82 1AW.

AUTHORITY TO ACT

Dunbritton is the Factor acting on behalf of all homeowners and sharing owners within the development of which your property forms part. The basis upon which Dunbritton has authority to act on behalf of all homeowners and sharing owners is either the formal appointment of Dunbritton to act as the Factor made by the owners and confirmed by a legal factoring agreement between Dunbritton and the group of owners, or where Dunbritton operates as property factor on the basis of custom and practice.

All owners will be required to sign a legal Factoring Agreement which is a legal document that confirms the contract between Dunbritton as a Factor and you as an owner in receipt of the service.

Where we manage and maintain open amenity areas, a description of the areas and their location and a plan of the areas is included in your individual factoring agreement.

SERVICES PROVIDED

Core Services

Dunbritton will provide the core services set out in the individual factoring agreement (attached) for your development. The Association will have no liability for failure to instruct repairs on its own initiative following a visit to the development which your property forms part of.

Delegated Authority

Dunbritton has the delegated authority from the owners within the Development to instruct and have carried out repairs and maintenance to the common parts being factored, provided that the anticipated cost to each owner of any one item at the time when it is instructed will not exceed the amount as detailed in your Deed of Conditions.

If the anticipated cost of any such item exceeds the amount stated in your Deed of Conditions it shall be instructed and carried out only when the work has been approved by a majority of the owners or in accordance with the provisions of your Title Deeds, and all owners have paid their share to the Association in full. The Association may also instruct work without prior approval, in an emergency or it considers the expense to be justifiable on grounds of health or safety. In these circumstances, the Association shall recover the costs of that work.

Float

A float of £150 is payable by each incoming owner, unless otherwise stated in the Deed of Conditions. The float is used to pay contractors for work carried out throughout the year, prior to the Association invoicing service users. The float is refundable when you sell your home, after deduction of any sums due by the owner to Dunbritton in their capacity as factor.

Additional Services

Dunbritton may provide services out with the core services (including major repair works and improvement) if it is authorised by the owners within the development to do so - all in accordance with the provisions of your Title Deeds. The cost of such works will be confirmed to all of the owners within the development prior to the work being carried out, and the costs of carrying out the work shall be apportioned in accordance with your Factoring Agreement. The Association may include reasonable conditions in respect of payment for the provision of such additional services.

FINANCIAL AND CHARGING ARRANGEMENTS

Management and/or Administration Fee

The management and administration fees are the charges made by Dunbritton to cover the costs of managing properties and open spaces on behalf of owners and sharing owners. These fees will be reviewed annually to ensure they accurately reflect actual costs incurred by Dunbritton in providing the relevant services.

The yearly fees are charged at a flat rate, and the fees which are to be charged with effect from **1st April 2021** are detailed below:

Annual management fee for a house £115.47

Annual management fee for a flat £166.11

Annual administration fee per property £42.19

The services covered by the Management Fee are:

- Arranging maintenance and repair of the common parts of a block and delivery of cyclical maintenance services
- Procuring competitive pricing and services for cyclical works
- Reviewing contractors' invoices and apportioning costs
- Pre and post inspections for repair and maintenance work
- Provision of a block Building Insurance Policy and Public Liability Insurance for shared open spaces
- Administrative costs relating to preparation and delivery of quarterly invoices, letters and other communication
- Stringent financial controls to ensure all owners are charged for their respective share of costs
- Joint working with the Association's Solicitors to recover outstanding debts
- Liaising with utility companies to provide meter readings to ensure all charges are accurate
- Office overheads
- Meeting homeowners, contractors, service providers, insurance brokers, local authorities and other third parties as appropriate.

Administration Fee

The administration fee is the charge which is made where we manage open or amenity spaces on behalf of owners.

The services covered by the administration fee are:

- Arranging, tendering and monitoring of landscape works
- Issuing invoices

- Joint working with the Association's Solicitor to recover outstanding debts
- All communication with owners including issuing newsletters

The Association may apply an additional fee for copy invoices to be sent or any additional work beyond its routine duties.

FACTORING ACCOUNTS

Factoring accounts will be sent out quarterly in April, July, October and January. These will include charges for all works carried out or invoiced during the previous period, with the exception of Public Liability & Building Insurance charges which are charged annually in advance.

Accounts will contain details of (if applicable):

- The management/or administration fee
- The owner's share of any common repairs
- Any private repairs requested and undertaken
- Building insurance premium
- Public liability insurance
- Common estate service charges (owners)
- Cyclical maintenance charges

The proportion of the common repairs and other costs which you are responsible for is set out in the Appendix to this Statement. Details are also included in your individual factoring agreement.

N.B. Sharing owners pay their share of common estate services with their monthly rental charge.

Queries and disputes relating to factoring invoices should be notified to Dunbritton within 7 days of receipt of invoice. All general enquiries will be responded to within 7 days of receipt.

Payment of Factoring Accounts

Dunbritton expects payment of accounts within 28 days from receipt of invoice. The date of our receipt of payment is the date your payment is shown on our bank statement.

- Payments by instalments must be agreed with the Association's Finance department. Instalments may be reviewed by the Association to ensure that insurance premiums are covered and any arrears are reduced. No fee will be charged for setting up this arrangement.
- Dunbritton has a Chip & Pin facility to accept debit/credit card payments at the office or by telephone (**we do not accept American Express**).
- Cheque payments can be made by post or at the Association's office.
- Standing Order payments can be made by contacting the Association for bank details and your reference number to ensure your payment can be allocated to your account.
- Direct Debit payments can be set up by a member of the Association's Finance Department on a monthly or quarterly basis.

Factoring Arrears

Dunbritton will always pursue owners who fail to pay their accounts.

Any expenses incurred from legal actions will be included in the total sum due for repayment. After your account has been issued, the Association's debt recovery procedure will be as follows:

14 days	reminder
4 weeks	2nd reminder including late payment fee of £20
6 weeks	instructions to our Solicitors which will incur additional legal costs for you as an owner

POTENTIAL LEGAL ACTION

Pre-Litigation

Prior to any action being taken against you, the Association's Solicitor will send you a letter giving you the opportunity to pay the outstanding balance in full or to make a payment arrangement to repay the arrears.

Simple Procedure Court Action

If there has been no response to the letter issued by the Association's Solicitor, a Simple Procedure Court Action will be raised against you. A claim form will be completed and lodged with the Sheriff Court who will then issue a Timetable assigning a last date for service of the claim on you and a last date for a response to be lodged to the action by you. The claim form will be served on you, the respondent by a Sheriff Officer. At this stage you will be required to respond to the court by the last date for a response by completing the appropriate response form and lodging this with the court. Judicial Expenses can be awarded by the court in a Simple Procedure, which may increase the amount you will have to repay.

If the level of arrears is in excess of £5,000 you will be subject to a different type of court procedure, known as Ordinary Cause. An Initial Writ (court action) will be served upon you and you shall have 21 days from date of service to lodge a response with the Sheriff Court.

Decree

A decree is a final judgement awarded by the court which forms a legal contract for you to ensure repayment of the outstanding sums. If you lodge a response seeking Time to Pay and this is granted by the court, the Association will be awarded an instalment decree. You are then required to make payment at the rate and frequency as set out in the instalment decree.

Enforcement

If the Association has obtained a decree (final judgement) against you, which is not an instalment Decree, it will be enforced by one of the methods of diligence offered by law.

Charge for Payment

This is a formal demand served by Sheriff Officers following a successful award of decree. It will demand payment within fourteen days and if it is not complied with, Sheriff Officers can be instructed to proceed with further enforcement action.

Earnings Arrestment

Will require your employer to deduct a specified sum from your earnings to repay your debt.

Arrestment

An Arrestment can be made in the hands of a third party who is due to make payment to you, e.g. rent payment from a tenant. An Arrestment can also be placed against Bank and Building Society Accounts.

Attachment

An Attachment decree will be granted by the Sheriff to enable Sheriff Officers to recover valuable goods to offset any monies against your factoring account which could include your car, caravan or motorcycle.

Notice of Potential Liability for Costs

This notice is registered in the Land Register of Scotland against the title to your home. It shows to any potential new buyers that the debt is outstanding and that they will become responsible for paying it if they buy your home without first requiring you to settle the arrears with us.

CHANGE OF OWNERSHIP

All owners are required to notify Dunbritton of any change in ownership of their property as soon as you become aware of it. Dunbritton will then arrange to apportion the charges and sums due by the current owner for the period to the date of sale. An additional administration charge of £50 will be made to any owner selling a property, to cover our work in the apportionment of common charges and updating your solicitors with relevant information. A further additional charge may be levied if copies of any documentation are requested on behalf of an owner up to a maximum of £20.

PRIVATE LETTING

If an owner privately lets their property, be it residential or commercial, Dunbritton will pursue the owner for payment of accounts and not the tenant, as any factoring debt is due and payable by the owner of the property and not the tenant.

INSURANCE RESPONSIBILITY

Dunbritton operates a common block Building Insurance Policy which provides full re-instatement value cover. Owners will be given details on request. Owners should note that cover does not include personal effects, floor coverings, furniture etc., and it is your responsibility to ensure that you have arranged adequate Contents Insurance.

Where owners wish to take out their own building's insurance for their property and if their property is factored by Dunbritton then they are required to provide evidence that insurance is in place and covers a share of the common parts of the building. This evidence must be provided on an annual basis. Should this evidence not be provided, then the Association will insure the property on the owners' behalf and the whole annual premium will be applied. The policy is currently with Zurich Municipal.

The terms and conditions of the policy are available at the Association's office on request. Where an owner does use the Association's block policy to insure their home, we will provide

them with an annual insurance statement (or within 3 months of any change in the insurance provider) with full details of the insurance cover, the policy terms and how each owner's share of the insurance premium is calculated.

MAINTENANCE

Repairs

In line with your Deed of conditions the Association will undertake any required maintenance/repairs to open / amenity areas.

Ground Maintenance

The schedule which we agree with the ground maintenance contractor will include the following work:

Winter

- Litter picking and sweeping 1 visit per month
- Prune toward the end of winter period with bed preparation

Summer

- 3 hedge cuts per season
- Bed maintenance 4 times per year and turn over soil edges on the beds
- Weed killing 3 times per year

Overall

- Grass cuts 17 cuts per year
- Sweeping and weeding of all hard standings of common areas, 17 times per year (tied in with grass cutting).

Periodic inspections will be carried out in areas we factor. Owners should report routine repairs as soon as possible to the Association by phoning the office telephone number - 01389 761486 and choose option 1 for Repairs. Please give as much information as possible. If the repair is straightforward, the Association will pass the information directly to an approved contractor and they will carry out the works. If the repair is not straightforward, the Association will arrange an inspection and assess the repair.

In terms of the Deed of conditions we will carry out maintenance as and when required.

Where repairs cost less than £50 per household, these repairs may be instructed without notification to owners, dependent on the nature of the work. Where repairs cost £50 or more per household, the Association will notify the owners in writing regarding the nature of the work, the total cost and the share of the cost. The exception will be in the event of an emergency where there is a risk to persons or the property. Owners will be invoiced for their share of each common repair. The

calculation will be based on what is said in the Deeds of Conditions in relation to your home.

Dunbritton has a planned maintenance programme which includes common works such as gutter cleaning, close painting, close window and door renewal. Details of the programme are available on request from owners and sharing owners.

Private Repairs

Dunbritton provides an inspection and advisory service to sharing owners and owners whose property is managed by the Association, free of charge. Owners/sharing owners wishing a private repair will require to pay the costs in advance or sign a mandate (at the Association's discretion) agreeing to pay the costs of the repair. The Association will not carry out a private repair for anyone with an outstanding debt owed to the Association.

Emergency Repairs/Callouts

If you experience loss of power to the street, you can contact Roads and Lighting Faults (RALF), telephone number 0800 373 635.

If you experience loss of water supply to the street, please contact Scottish Water, telephone number 0800 0778 778.

Emergency repairs to common areas during office hours can be reported to the Association's office on 01389 761486, choosing option 1 for repairs. For a callout out with office hours (Emergency common repair) please call our out of hours emergency service – Hanover (Scotland) UK on 0131 524 1418.

Examples of an Emergency Common Repair:

- Burst pipes and tanks to common pipe chases/loft areas (common close)
- Loss of electric power or faults to common areas endangering life or property
- Structural problems to common areas causing a danger to tenants or the public
- Loss of water supply to common and un-adopted areas
- Lightning, flood or storm damage to common area
- Structural problems causing a danger to tenants or the public

Please note the cost of an emergency/callout repair can be expensive. If you experience loss of power/water supply, please check with your service provider first to establish if the power/water has been disconnected to only your home /block or to the street.

COMMUNICATION

Dunbritton will hold owners' meetings on request to discuss any issues relating to the factoring services. Updates and information will be provided on the Association's website.

CONTACTING US

If you have any queries regarding the factoring services which we provide, you can contact us as follows:

1 Hatters Lane

Dumbarton
G82 1AW

Telephone Number: 01389 761486
Email: admin@dunbritton.org.uk

OBTAINING INFORMATION

If you wish to access or obtain a copy of any information or documentation which is referred to in this Statement, email admin@dunbritton.org.uk. The Association's Privacy Policy is on the website www.dunbritton.org.uk and can be located under Documents, then Policies and is listed near the end of the list.

Dunbritton is registered with the Information Commissioner's Office, reference number Z7205348.

DECLARATION OF INTERESTS

Dunbritton confirms that it owns properties or related land within the area which is factored. Dunbritton's interest is also declared in your Factoring Agreement.

TERMINATING THE FACTORING AGREEMENT OR CHANGING FACTOR

You should refer to your Title Deeds with regard to terminating the factoring agreement.

You may be able to have Dunbritton replaced as property factor for the block, either in accordance with the terms of the said title deeds if applicable, or where a majority of owners vote in favour of a new factor being appointed. If this is something you wish to explore, you may wish to take advice from your own solicitor and also have regard to relevant legislation, including the Title Conditions (Scotland) Act 2003 and the Tenements (Scotland) Act 2004. You should also note that, if the owners in the block are asked to vote to replace Dunbritton with another factor, then Dunbritton itself will have one vote for each property owned by Dunbritton in the block.

If another factor is properly appointed to take our place, then we will co-operate with the new factor to facilitate a smooth transition process, to assist the new factor in taking over the management of the common areas. We may require a letter of authority from you to confirm your instructions and to authorise us to share information which we hold with the new factor.

COMPLAINTS

Dunbritton value you as a customer and we wish to provide you with a good service. It is important to Dunbritton that owners are satisfied with the factoring services that Dunbritton provides. We actively encourage feedback from owners.

If you raise a telephone query with one of our staff, we will get back to you within 5 working days. If you have a complaint in relation to the factoring services you receive, Dunbritton has a complaints protocol which sets out the procedures that will be followed.

The complaints protocol is available from Dunbritton office or on our website. Please note

that, for complaints from owners regarding the factoring services, if you remain dissatisfied after we have exhausted our complaints procedures in an effort to resolve your complaint, you should make an application to the Housing and Property Chamber:

Housing & Property Chamber
First-tier Tribunal for Scotland
Glasgow Tribunals Centre
20 York Street
Glasgow
G2 8GT

Telephone: 0141 302 5900

Fax: 0141 302 5901

Website: www.housingandpropertychamber.scot

Email: HPCAdmin@scotcourtribunals.gov.uk

APPENDIX 3 – WRITTEN STATEMENT OF SERVICE - SCHEDULE
Appendix to Written Statement of Services

We provide factoring services in relation to the following property:

Your address: «Address1», «Address2», «Address3», «Postcode»

Your share of factoring costs relating to the common parts of the area highlighted in the enclosed map: 1/???th

The estate within which your property is located, where we provide factoring services in relation to open/amenity/landscaped areas will be apportioned in accordance with the Owner's share of responsibility for the Common Parts as detailed in the Owner's title deeds, or where the title deeds relating to the Common Parts are silent or inconsistent with the other Common Owners' title deeds, the Owner's apportioned share will be as detailed below:

Amenity areas / open spaces in Development: 1/???th