

# PROPERTY MANAGEMENT POLICY

NOVEMBER 2021



**LANARKSHIRE**  
HOUSING ASSOCIATION LTD



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## PROPERTY MANAGEMENT POLICY

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(\*Note Lanarkshire Housing Association hereinafter referred to as LHA)

### 1.0 INTRODUCTION AND OBJECTIVES

- 1.1 This policy outlines how LHA provides a property management, or factoring, service for homeowners whose properties are located within our existing areas of housing stock. For the purpose of this policy, all references to (home)owners include sharing owners, unless otherwise stated.
- 1.2 LHA's objectives in relation to this policy include the delivery of high standards of management and maintenance of the common elements of properties, therefore contributing to the satisfactory upkeep of our communities.
- 1.3 Flowing from the above, further aims are to provide an excellent property management service that offers good value for money and high levels of customer satisfaction, whilst complying with all of the relevant legislation and obligations that apply to Property Managers.

### 2.0 THE LEGAL FRAMEWORK

- 2.1 The Property Factors (Scotland) Act 2011 (the 2011 Act) provides the statutory framework to regulate the property management industry and give increased protection to homeowners. To achieve this, it introduced three main provisions:

- **A compulsory Register of Property Factors**

Our registration number is PF000275 and we include this on any correspondence sent to homeowners. In accordance with the 2011 Act, we will update the Register annually and renew our registration every 3 years.

- **The Code of Conduct for Property Factors**

This code (revised version July 2021) sets out the minimum standards that must be achieved, including the Overarching Standards of Practice that emphasise the requirement for honesty, openness and transparency.

- **A Dispute Resolution Process**

To address this, homeowners have access to our Complaints Handling Process, including the right to progress unresolved complaints to the First Tier Tribunal for Scotland (Housing and Property Chamber). Owners will not normally have recourse to

the Scottish Public Services Ombudsman, however, we will still signpost owners to them as there may be some aspects they can consider, such as how we have handled the complaint or impacted others by our actions.

### **3.0 OTHER LEGAL REQUIREMENTS**

- 3.1 In addition to the 2011 Act, we ensure compliance with relevant legislation relating to property and title conditions, including the Title Conditions (Scotland) Act 2003 and the Tenement (Scotland) Act 2004.
- 3.2 A single style Deed of Conditions is adopted, wherever feasible, to harmonise conditions throughout our areas of operation. This document imposes the rights and obligations of each party and states how a property is to be managed and maintained. Where no Deed of Conditions exists, we will act in accordance with title deeds and if these are unclear, we will refer to the Tenement (Scotland) Act 2004 or seek legal clarification if required.
- 3.3 In our role as Property Manager, we will apply this policy consistently and reasonably. We will comply with legislation on equalities & human rights, including the Equality Act 2010, and will not unlawfully discriminate against homeowners because of their protected characteristics.
- 3.4 We also act in accordance with the requirements in relation to our registration as a Scottish Charity, Reg. No. SC042523, so that our charitable assets are not used for non-charitable purposes.
- 3.5 As a Property Manager, we handle clients' personal data in accordance with our Privacy Policy, to ensure that we act in line with the Data Protection Act 2018.
- 3.6 We are aware of the threat of money laundering and will comply with all relevant legislation and guidance to minimise the risk that our business is used to launder the proceeds of crime.

### **4.0 THE REGULATORY FRAMEWORK**

- 4.1 The Scottish Government's 2012 Scottish Social Housing Charter sets out the outcomes and standards that social landlords must achieve for their customers, including owners, and we will comply with these in our role as Property Manager. This includes treating owners fairly, making it easy for them to communicate with us and providing value for money.
- 4.2 As part of our obligations under the Scottish Housing Regulator's Annual Return on the Charter, we submit information each year in

relation to the management fee we charge and the percentage of owners satisfied with the service we provide, extracted from a three yearly satisfaction survey.

## **5.0 COMMUNICATION AND CONSULTATION**

- 5.1 We promote positive communication with owners and make information (including our policies and procedures) easily accessible in various formats, such as large print and braille, with interpretation and translation services available, where required.
- 5.2 We provide homeowners with an Information Guide and Written Statement of Services, in order to ensure that the responsibilities of both parties are clearly set out in sufficient detail.
- 5.3 We will respond to enquiries, repair requests or complaints within reasonable timescales and as set out in our Customer Service Charter, Complaints Handling Procedure and Written Statement of Services.
- 5.4 We will maintain appropriate records of our individual communications, stored within our computer system and in accordance with our legal requirements on data protection.
- 5.5 We will undertake regular and meaningful consultation exercises to help us understand and address homeowners' needs and priorities and provide appropriate opportunities to allow them to participate in our decision making processes.
- 5.6 We will carry out three yearly satisfaction surveys and develop robust action plans in response to these, where required.

## **6.0 THE PROPERTY MANAGEMENT SERVICE**

- 6.1 The range of activities we provide may vary due to the individual circumstances of a development, however, generally involves provision of the following core services:
  - Common repairs (including out of hours emergency)
  - Maintenance of common areas
  - Estate Caretaker
  - Estate Management
  - Incorporation into LHA's Cyclical & Planned Maintenance programme

- Administration and charging of common electricity
- Provision of block policy building insurance
- Option for owners to have select works to properties carried out

## **7.0 STANDARD OF SERVICES**

- 7.1 We will ensure that our staff are suitably trained, in order to comply with the 2011 Act and provide an effective property management service.
- 7.2 A percentage of completed common repair inspections will be carried out, in accordance with the Property Services Policy, to assist our programmes of maintenance by ensuring that works are carried out as specified.
- 7.3 We will procure services in line with our Property Services Policy and appoint appropriate sub-contracting agents who are aware of the relevant conditions of the Code of Conduct and hold appropriate Public Liability Insurance.
- 7.4 Where requested, we will make available any documentation regarding inspections, tendering or selection processes (excluding commercially sensitive information).
- 7.5 Our agreed performance targets and response times are outlined to homeowners within the Written Statement of Services and we will monitor our performance in relation to these and take corrective action, where required.

## **8.0 WRITTEN STATEMENT OF SERVICES**

- 8.1 In accordance with the Act, we issue a comprehensive Written Statement of Services (WSS) to homeowners, that sets out the detailed terms and conditions of the service provided and confirms our authority to act as factor. The WSS is supplemented by an Information Guide for Homeowners and together they form **APPENDIX 1** of this report.
- 8.2 Individual information will be incorporated into the WSS in accordance with Section 14.0 of this policy, setting out responsibilities. The Housing Section will complete the part in relation to the basis of authority to act as factor and provide the schedule of services for the development. As the Corporate Services Section is responsible for accounting provision, they will input information on the required factoring deposit and the share of common costs the owner is responsible for, in accordance with the Deed of Conditions. Once

completed, the document will be checked and signed by a Manager or Director, before issue to the homeowner.

8.3 We provide a copy of the WSS to owners within four weeks from the following:

- The date of purchase or the date we are made aware of a purchase
- From agreeing in writing to provide the service
- Identifying any inaccuracies

We also provide additional copies on request.

8.4 We will consult with homeowners regarding proposed revisions to the WSS and any substantial change to the document will be notified to them at the earliest opportunity and no later than three months.

## **9.0 INSURANCE REQUIREMENTS**

9.1 In order to address the Tenements (Scotland) Act 2004's requirement for owners to insure their share of the common property, building insurance is provided to owners through LHA's block policy insurance cover. The charge to owners is based on the insurer's advised cost to cover the full rebuilding of all of the common parts in the event of a fire, storm, flood or other major disaster.

9.2 A summary of cover details is provided to homeowners annually or within three months of a change in insurance provider. This will detail the insurer, sum insured, how the owner's share is calculated, policy excess and any other relevant policy terms. Further information and a copy of the policy are available on request.

9.3 Owners wishing to procure their own building insurance can do so, however, they will be required to provide full details of the insurance policy, to LHA's satisfaction, at the outset and thereafter on an annual basis. Where this has been done satisfactorily, the charge will be removed from the owner's account. If LHA does not receive copy of the new policy within 14 days of the renewal date, the property will be added to its block insurance policy and the appropriate charge added to the owner's factoring account.

9.4 Shared ownership properties are not charged for building insurance as this is incorporated into their occupancy charge calculation and accordingly, sharing owners are not liable for any policy excess.

9.5 We will select and appoint our insurance provider in an appropriate manner and demonstrate justification of the process, where requested.

- 9.6 LHA will submit building insurance claims on behalf of owners and liaise with the Insurer and/or Loss Adjustor to ensure a satisfactory conclusion. Owners will be kept informed of the progress and outcome of the claim, or provided with sufficient information to allow them to pursue the matter themselves.
- 9.7 We will undertake re-evaluations for insurance purposes at least every five years, using the BCIS rebuilding cost index, in order to establish the building reinstatement cost. In accordance with the Code, homeowners will be notified in writing of this frequency.
- 9.8 The Code of Conduct also requires Property Managers to have adequate Professional Indemnity Insurance or equivalent protection and this is addressed through our Public Liability Insurance cover. We provide summary details to owners, or full information on request.

## **10.0 FINANCIAL AND CHARGING ARRANGEMENTS**

- 10.1 Our property management service operates on a self- financing basis for each development, with owners charged the actual cost of delivering the service. This approach, therefore, limits the level of risk that LHA is exposed to and thus ensures continued viability.
- 10.2 Costs and charges are reviewed annually and amended to reflect the actual or anticipated costs for the provision of each service. Where appropriate, reference will be made to Deeds of Conditions in order to ensure any proposed amendments comply with this document.
- 10.3 We provide owners with a comprehensive description of works, alongside information on how charges have been arrived at and apportioned, in accordance with the Deed of Conditions or title split. We maintain a register of Deeds of Conditions to enable easy access to legal conditions for each development and depending on specific circumstances, costs may be recharged on a scheme, close, block or house type basis.
- 10.4 Invoices are issued twice yearly (every six months) to owners and a detailed property management statement is provided at least annually, which shows all charges and payments made over the period, with supporting documentation available on request.
- 10.5 We hold funds securely in interest-bearing accounts and make a distinction between the separate groups of different homeowners' funds (factoring deposits and advance payment for works) as well as LHA's management fee income and other money.

## 11.0 CHARGES FOR SERVICES

- 11.1 We take a factoring deposit in accordance with that specified within the Deed of Conditions, for the payment of routine or minor repairs and this is refundable at the point of sale, less any sum due.
- 11.2 Estate Caretaker charges include staff and transport costs, with 25% of the total cost chargeable to LHA's Property Services Section and the remainder of the cost divided between all tenant and factored properties that benefit from the service. The cost for this service is outlined within **APPENDIX 2** of this policy (updated annually).
- 11.3 An annual contribution to the Cyclical Maintenance Fund is required by owners to meet the cost of maintaining common parts. This contribution is non-refundable and the level varies between schemes, depending on specific circumstances. It is reviewed annually in accordance with the Deed of Conditions and the amount due is set out within the invoices and annual statements issued to owners.
- 11.4 The current building insurance charge is detailed in **APPENDIX 2** (reviewed annually).
- 11.5 We have a transparent approach to setting and increasing our Management fee to cover the administrative cost of providing the service. The amount charged is detailed in **APPENDIX 2** (updated annually).
- 11.6 Costs for common electricity supplies (lighting/tv aerial/Common Entry System) are recharged to owners on a scheme, close or block basis, as appropriate to the development and in accordance with the Deed of Conditions or title split.
- 11.7 Ground Maintenance costs are recharged to owners and apportioned in accordance with the Deed of Conditions or title split.
- 11.8 We provide an Estate Management Service to address any breach in the Deed of Conditions, including alterations to the property and neighbour disputes and we use our Estate Management Policy to assist us. The cost of this is included within the Management Fee.
- 11.9 In addition to undertaking and charging for the repairs and maintenance of the common parts, we also carry out certain works to owners' properties (such as paintwork to doors or windows and servicing of gas central heating) where written agreement is reached and these will be recharged separately on the basis of tendered costs.



## **12.0 PAYMENT OPTIONS**

- 12.1 We offer a range of flexible weekly or monthly payment options which include standing order, transfer by BACS or posting a cheque. Payment by cash or cheque is also accepted in our office. We regularly review these methods to ensure they meet customer needs and a 10% incentive discount is offered for timeous payment by monthly standing order.
- 12.2 We accept payments made in advance, but also provide refunds on request and at change of ownership, where due, after the deduction of any outstanding monies.

## **13.0 PROPERTY MANAGEMENT ARREARS RECOVERY**

- 13.1 Payments will be credited to owners' accounts timeously in order to allow early identification of outstanding balances and enable swift intervention in the recovery of charges. Owners are required to settle their accounts within 28 days or make an appropriate repayment arrangement and will be made aware that late payment may lead to the loss of a discount, an additional charge or ultimately affect the delivery of a service.
- 13.2 When dealing with customers in arrears, we will approach them in a supportive and sensitive manner. We will also inform them that independent, free debt advice is available and provide reasonable timescales to comply with our requests.
- 13.3 We will apply a series of remedial actions to prevent debt escalating, commencing with the automatic issue of a standard arrears letter if an invoice remains unpaid after one month. Second reminder letters will be issued after two months and we may also use home visits, telephone calls, emails and text messaging to communicate with owners about their arrears.
- 13.4 Where owners respond positively to our arrears letters and other communications, repayment arrangements will be encouraged and closely monitored, in order to ensure adherence.
- 13.5 In instances where accounts remain unpaid or owners fail to maintain agreed arrangements, we will consider our options for debt recovery or legal action. This may include court action or inhibitions to prevent a sale and authority is delegated to the Housing Manager, in consultation with the instructed solicitor, to select the most appropriate course of action with the best prospect of securing a successful outcome.
- 13.6 Thereafter, we will monitor adherence to any court decisions, informing our solicitor of non-compliance and wherever possible, charge recovery and legal costs back to the homeowner's account.

13.7 We seek to minimise the level of former owner arrears by requiring solicitors to notify the Association in advance of any proposed change of ownership and outstanding balances will be checked at this point. We also encourage owners, or their solicitors, to provide a forwarding address to allow follow up action, where required.

#### **14.0 RESPONSIBILITY FOR SERVICE PROVISION**

14.1 Responsibility for the provision of services and insurance claims lies with the Housing Services Department, with the Corporate Services Department responsible for accounting provision.

14.2 With respect to the governance of the service, all property management issues fall within the remit of the Housing Services Sub Committee.

#### **15.0 CHANGE OF OWNERSHIP AND ENDING THE AGREEMENT**

15.1 We provide information to owners on how to inform of any impending change of ownership, thus allowing the ending of individual agreements. Where a property is being sold, we will provide a final factoring invoice to the outgoing owner and return the factoring deposit, less any sums due. We will also provide information for prospective purchasers on the scope and cost of the factoring service and seek the deposit from the new owner.

15.2 Parties wishing to terminate our role as Property Manager will be referred to the Deed of Conditions for information. In the event of our services being terminated, we will provide a clear statement on how LHA will cooperate with a new Property Manager to enable a smooth transition process.

15.3 Where we decide to resign from our role as factor, we will do so in accordance with the Deed of Conditions, title deeds or other such relevant agreement providing the authority to act as factor.

#### **16.0 DELEGATED AUTHORITY ON MAXIMUM WORKS COST THRESHOLDS**

16.1 We will instruct common works up to any value specified within the Deed of Conditions. Works above this level will only proceed after gaining the required approval of the majority of owners, in accordance with the Deed of Conditions.

16.2 We will instruct emergency repairs, considered necessary by us in our role as factor while acting reasonably, regardless of value and without consultation with homeowners.

## **17.0 POLICY AND COST REVIEWS**

17.1 This policy will be reviewed on a three yearly basis.

17.2 Although this policy is reviewed three yearly, the costs and charges, including those detailed within **APPENDIX 2, will be reconsidered annually.**



**Property Management Information Guide for Homeowners**

**and**

**Written Statement of Services (information to be inserted within this document in 4 areas highlighted in yellow in accordance with the policy and instruction to be deleted thereafter before issue to owner)**

**Property Factor Registration Number PF000275**

## **PROPERTY MANAGEMENT INFORMATION GUIDE**

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(\*Note Lanarkshire Housing Association hereinafter referred to as LHA)

### **1. ABOUT US**

#### **Introduction**

This Information Guide outlines how LHA provides a property management, or factoring, service for homeowners whose properties are located within our existing areas of housing stock. In particular, it provides details that are supplementary to the Written Statement of Services (WSS). For the purpose of this guide and the WSS, all references to (home)owners include sharing owners, except where otherwise stated.

#### **Registrations**

LHA is a Registered Society under the Co-operative and Community Benefit Societies Act 2014: Reg. No. 1941R(S).

We are registered as a Scottish Charity: Reg. No. (SC042523) and our charitable assets are not used for non-charitable purposes.

We are also registered with the Scottish Housing Regulator: Social Landlord No. 202.

We are a Registered Property Factor, under the Property Factors (Scotland) Act 2011 (the 2011 Act): Reg. No. PF000275 and we will include these details in communications with homeowners. A property management service is provided by us from our registered office at 191 Brandon Street, Motherwell, ML1 1RS.

#### **LHA's Mission**

“To provide good quality, affordable housing services in strong local communities within a voluntary framework of governance, along with associated commercial services of social value through a wholly owned subsidiary company”.

#### **Our Property Management Objectives**

- Provide high standards of management and maintenance for the common elements of property and therefore contribute to the satisfactory upkeep of local communities
- Administer an excellent property management service that provides good value for money and high levels of customer satisfaction
- Ensure the service complies with all of the relevant legislation and obligations that apply to Property Managers

## **2. THE PROPERTY MANAGEMENT SERVICE**

### **Common Areas**

Owners have a shared responsibility for the maintenance and repair of common areas within a close, block or estate. As Property Manager, we undertake the management of those common areas on their behalf, with the costs recharged to them for any work undertaken.

### **Our Services**

The range of activities may vary due to the individual circumstances of a development, however, generally this involves provision of the following core services:

- Common repairs (including an out of hours emergency service)
- Maintenance of common areas
- Estate Caretaker
- Estate Management (including addressing Deed of Conditions breaches)
- Incorporation into LHA's Cyclical & Planned Maintenance programme
- Administering common electricity charges
- Provision of a block policy building insurance
- Owners agreeing to and paying for LHA carrying out select works

The Written Statement of Services outlines the specific works which we will carry out at that development.

### **The Written Statement of Services (WSS)**

Following the 2011 Act, we issued a WSS to all owners of properties that we factor. Additionally, we will provide a copy of the WSS within four weeks from the following:

- The date of purchase of a property or the date we are made aware
- Agreeing in writing to provide the service
- Identifying any inaccuracies

We will also provide a copy of the WSS to owners on request and will consult with them regarding proposed revisions, with any substantial changes notified at the earliest opportunity and within a three month period.

### **3. OWNER'S ROLE**

#### **Maintaining Your Home**

Owners are responsible for taking care of their individual homes and it is important that they promptly carry out repairs to leaking pipes etc and adequately maintain components including windows and doors, in order to prevent damage to the fabric of the building and also to protect the value of their asset. Homeowners who live in a house are also responsible for maintaining the front and back garden.

#### **Vandalism**

If vandalism occurs, owners should report this to Police Scotland and obtain an incident number. If repair work is required, LHA should be informed and provided with the incident number as this is needed in the event of an insurance claim.

#### **Special Uplift Services**

If owners wish to dispose of large items, they must do so responsibly. They can telephone North Lanarkshire Council or visit their website to arrange a special uplift.

#### **Home Contents Insurance**

We do not provide home contents insurance, therefore owners should arrange adequate insurance to cover their household items. It should be noted that if there is water damage to decoration or possessions from another property, the Building Insurance will not cover this cost.

**WRITTEN STATEMENT OF SERVICES**

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**Property Factor Registration Number - PF000275**

**Name of Owner** \_\_\_\_\_

**Address** \_\_\_\_\_

**Scheme Name** \_\_\_\_\_

In accordance with the Property Factors (Scotland) Act 2011, this Written Statement of Services (WSS) sets out the terms and service delivery standards for the arrangement in place between Lanarkshire Housing Association Limited (LHA) and the owner receiving a factoring service. The WSS also confirms our authority to act as Factor.

**(A) AUTHORITY TO ACT AS FACTOR**

Our authority varies for different estates and may be a result of:

- Operating as Property Factor by custom and practice only
- Appointment by the house builder or developer, with delegated authority provided within the Title Deeds/Deed of Conditions.
- Appointed by the Deed of Conditions
- Appointment by a decision of the majority of homeowners

(Housing Services to insert the following information, one of four) - Within your development, it is confirmed that LHA was appointed as Factor on the basis that  
XXXXXXXXXXXXXXXXXXXX

**(B) THE LEGAL FRAMEWORK**

**The Property Factors (Scotland) Act 2011 (the 2011 Act)**

The 2011 Act provides the legal framework to regulate the property factoring industry and give increased protection to homeowners. To achieve this, it introduced three main provisions:

- A compulsory Register of Property Factors
- The Code of Conduct for Property Factors



- A Dispute Resolution Process

### **The Register of Property Factors**

We are registered by the Scottish Government, with registration number PF000275 and will meet our obligations in accordance with the 2011 Act.

### **The Code of Conduct**

As a registered Property Factor, we will comply with the Scottish Government's Code of Conduct for Property Factors (revised version July 2021). This sets out the minimum standards that must be achieved, including the Overarching Standards of Practice that emphasise the requirement for honesty, openness and transparency.

### **A Dispute Resolution Process**

To enable dispute resolution, homeowners have access to our Complaints Handling Procedure. We value complaints and look on them as an opportunity to consider if we can improve the service we provide. In the first instance, complaints must be directed to us. However, if an owner remains dissatisfied once it has gone through our procedures, they may progress unresolved complaints to the First Tier Tribunal for Scotland (Housing and Property Chamber). Owners will not normally have access to the Scottish Public Services Ombudsman, but we will still signpost complaints to them as there may be aspects they can consider, such as how we have handled the complaint or impacted others by our actions. Details on how to complain are available from our website or office.

### **The Deed of Conditions and other Legal Obligations**

In our role as Property Manager, we adopt a single style Deed of Conditions, wherever feasible, to harmonise the conditions throughout our areas of operation. This document imposes the rights and obligations of each party and states how a property is to be managed and maintained.

On purchasing their home, owners' solicitors are required to confirm the legal obligations contained within the Deed of Conditions or Title Deeds for the property, such as:

- boundaries and access rights
- maintenance & property alteration obligations
- shared responsibilities
- restrictions within the estate

Owners must adhere to the Deed of Conditions for their development and advice on this can be obtained from their solicitors.

Where no Deed of Conditions exists, we will act in accordance with title deeds and where these are unclear, we will refer to the Title Conditions (Scotland) Act 2003, the Tenement (Scotland) Act 2004 or seek legal clarification if required.

## **Data Protection**

We act in accordance with the Data Protection Act 2018 and refer homeowners to our Privacy Policy, which provides details of how we handle customers' personal data. This policy is included on our website or a copy is available on request.

## **Freedom of Information**

We comply with our responsibilities in relation to the Freedom of Information (Scotland) Act 2002 (FOISA) in accordance with our designation as a Scottish Public Authority, for the purposes of FOISA, and are committed to promoting a culture of openness and accountability for the information we hold.

## **Money Laundering**

We are aware of the threat of money laundering and will comply with all relevant legislation and guidance in order to minimise the risk that our property management service is used to launder the proceeds of crime.

## **Equalities and Human Rights**

Our activities are also in accordance with legislation on equalities & human rights, including the Equalities Act 2010, and we will not unlawfully discriminate against homeowners because of their protected characteristics.

We provide our information in a number of formats, including large print and braille, with translation and interpretation services available, when required.

## **The Regulatory Framework**

The Scottish Government introduced a Scottish Social Housing Charter in 2012 that set out the outcomes and standards that social landlords must achieve for their customers, including owners, and we comply with these in our role as Property Manager. They include treating owners fairly, making it easy for them to communicate with us and providing them with value for money.

We are regulated by the Scottish Housing Regulator and as part of our obligations under their Annual Return on the Charter, we submit information each year about the management fee we charge and the percentage of homeowners who have said they are satisfied with our service, from the three yearly owner satisfaction survey that we carry out.

## **(C) OUR COMMUNICATION WITH OWNERS**

### **How we keep Owners Informed**

We provide this comprehensive Information Guide for Homeowners and Written Statement of Services, in order to ensure that the responsibilities of both parties are clearly set out in sufficient detail. We also communicate with owners as required and issue clear detailed information in invoices, statements and summaries, as

outlined within this document. Owners should contact us if they wish any further information or clarification.

### **Timescales for our Communications**

We will respond to enquiries, repair requests or complaints within reasonable timescales and as set out in our Customer Service Charter, Property Services Policy and Complaints Handling Procedure. When contacting us by telephone with an enquiry, customers can expect us to respond by the end of the next working day, unless advised otherwise. If by email, we will respond within 5 working days. If customers write to us, we will reply within 10 working days.

For complaints, straightforward ones (Stage 1 Frontline responses) will be resolved or a reply provided within 5 working days. Stage 2 Investigations will be resolved or a definitive response provided within 20 working days.

### **Owners' Records**

With respect to individual communications with homeowners, we will maintain appropriate records of these and store them within our computer system in accordance with our legal requirements on data protection.

### **Consultation with Homeowners**

We will undertake regular and meaningful consultation exercises to help us understand homeowners' needs and priorities and provide appropriate opportunities to allow them to participate in our decision making processes.

Three yearly satisfaction surveys will be carried out by us and we will develop robust action plans in response to these, where required.

## **(D) THE PROPERTY MANAGEMENT SERVICE**

### **Services Provided to Individual Developments**

Whilst the Information Guide contains details on the core factoring services that we deliver, the specific services we provide to your development are as follows:

Housing Services to insert this information, two of four, - a full schedule of services provided for the specific development XXXXXXXXXXXXX

### **Reporting Common Repairs**

Although we may carry out periodic inspections, owners should notify us of the need for any repairs arising in the common areas, by **telephoning 01698 269119** or **emailing enquiries@lanarkshireha.com**. We will arrange the required maintenance and, where appropriate, keep owners informed of the progress of work, including the estimated completion date.

## Emergency Common Repairs

Emergency repairs are those required to prevent serious risk to the structure of the property or those essential in the interests of health and safety. We provide an emergency repairs service for common repairs which arise out with normal working hours. If you require this service, you should telephone us as normal on **01698 269119** and your call will be diverted to an emergency call centre. Please note, however, that this service is only for genuine emergency repairs to common areas and the reporting of inappropriate repairs may result in costs being recharged to the owner concerned.

### Target Response times

<b>Emergency Repairs:</b>	Common repairs which could cause danger or serious damage to the property will be responded to within 2 hours *
<b>Urgent Repairs:</b>	Those which materially affect the property will be completed within five working days
<b>Routine Repairs:</b>	Less urgent repairs will be dealt with within eight working days

\*It should be noted, however, that whilst emergencies should be responded to within 2 hours, it may only be possible to remove the emergency nature of the repair in this timescale, with follow-up work carried out thereafter.

We will monitor our performance in relation to the target response times and take appropriate action if we underperform.

### LHA's Staff Services

Our staff carry out the following services as part of our Management Fee:

- plan, instruct and monitor property management works
- arrange building insurance
- liaise with and administer payments to contractors
- administer common electricity charges
- maintain ownership records
- prepare and issue property management statements, invoices & accounts
- answer enquiries and address relevant issues relating to property management
- arrange and attend meetings with owners if required

- apportion charges on the sale of properties and correspond with solicitors

### **Ground Maintenance**

Title plans should show the common areas within the estate and a ground maintenance service is provided for these, which includes regular grass cutting during the growing period (April to October) and reduced winter visits. Services also include shrub bed maintenance, tree pruning and weed control.

### **Close/Stair/Bin Cleaning**

In some areas, owners may receive services associated with the upkeep of the above areas within the development, such as close cleaning and details of these will be noted in the factoring invoice and statement. Where services are not provided, owners living in flats should take their turn to clean the common stairs, close and bin areas on a rota basis with the other residents.

### **Estate Caretaker Services**

This service is provided to all estates and includes regular patrols of the area, litter pickup, checking bin & common areas and providing feedback on any problems within the estate. The caretaker may also carry out minor works, such as changing lightbulbs in common areas.

### **Play Areas**

If there is a play area within the estate, regular technical inspections are required in accordance with the insurance cover.

### **Estate Management Services**

Our housing staff provide estate management services in relation to common areas. This includes addressing any breach in the Deed of Conditions, such as unauthorised alterations to the property or neighbour disputes. We will be guided by the provisions within the Deed of Conditions for the development and use our Estate Management Policy to assist us. To avoid difficulties, members of the household should comply with their obligations and ensure that they (and their visitors) respect the rights of other residents and allow them to live in a peaceful and safe environment. Efforts should be made to resolve disputes without involving LHA, however, we will provide advice and where appropriate, may intervene in disputes involving our tenants. This does not prejudice any resident's right to take legal action, as they see fit.

### **Works to Owners' Properties**

Individual property works are not usually included in factoring activities, however, there are certain repair or maintenance works which owners may opt for us to carry out on their behalf and charge back to them, such as paintwork to individual windows and doors or annual gas central heating servicing. This work is costed separately and charged at the contracted rate, with no additional fee or commission added by LHA. We will contact owners when we are proposing such works and give them the

opportunity to participate. A written agreement is required prior to any work being instructed.

### **Standard of our Services**

We ensure that our staff are suitably trained in order to comply with the 2011 Act and provide a high quality property management service.

Regular inspections of the common property may be undertaken by our employees, or consultants acting on our behalf, to determine the condition of property and ensure that works are carried out as specified.

We will procure services in accordance with our Property Services Policy and a copy of this is available on request. We take reasonable steps to appoint sub-contracting agents who are aware of the relevant conditions of the Code of Conduct and ensure that they hold appropriate Public Liability Insurance, whilst adhering to health & safety regulations. The contractors we employ have regular performance reviews.

Where requested, we will make available any documentation on inspections, tendering or selection processes, excluding commercially sensitive information.

## **(E) INSURANCE REQUIREMENTS**

### **Building Insurance**

Competitive building insurance is provided to homeowners through our block policy insurance, covering the cost of the full rebuilding of all of the common parts in the event of a fire, storm, flood or other major disaster. This is based on our insurer's advised cost and we do not add any charge for this or receive any commission.

We will provide owners with a summary of cover details annually, advising of the name of the insurer, sum insured, contribution to the premium charged, policy excess and any other relevant policy terms. Further information and a copy of the policy are available on request and if we change the insurance provider, we will issue a revised summary of cover within three months.

In accordance with the Code of Conduct, we will undertake re-evaluations of building reinstatement costs for insurance purposes at least every five years, using the BCIS rebuilding cost index.

Owners wishing to take out their own building insurance can do so, however, they will be required to provide full details of the insurance policy, to our satisfaction, at the outset and thereafter on an annual basis. Where this has been done, the charge will be removed from the owner's account. It should be noted that the new policy should be submitted to us within 14 days of the renewal date or the property will be added to our Block Insurance Policy and the appropriate charge added to the owner's factoring account. Owners experiencing any difficulty complying with this, should contact us immediately to avoid a charge.

## **Building Insurance Claims**

LHA will submit building insurance claims on behalf of owners and liaise with the insurer or Loss Adjustor to ensure a satisfactory conclusion. We will keep owners informed of the progress and outcome of the claim, or provide sufficient information to allow them to pursue the matter themselves. Information on the current excess will be provided with the annual summary of cover details, as outlined above.

## **Sharing Owner's Building insurance**

Sharing owners are not charged for building insurance as this cost is already incorporated into their occupancy charge and accordingly, they are not liable for any policy excess.

## **Public Liability Insurance Cover**

The Code of Conduct requires Property Managers to have adequate Professional Indemnity Insurance or equivalent protection and this is addressed through our Public Liability Insurance cover. We provide summary details or full information to owners, on request, and we do not charge owners for this insurance.

## **(F) FINANCIAL AND CHARGING ARRANGEMENTS**

### **How we keep Homeowners Informed**

We will be clear and transparent in all our activities and keep homeowners informed by providing comprehensive descriptions of the works we are proposing, alongside plain information on how costs have been arrived at and apportioned.

### **How Costs are Apportioned**

Costs are split in accordance with the Deed of Conditions or title split for each property and depending on specific circumstances, costs may be recharged on a scheme, close, block or house type basis and this will be made clear to owners.

### **How Costs are Reviewed**

Charges relating to the property management service are reviewed annually and amended to reflect actual or anticipated costs for the provision of services.

### **Property Management Invoices and Statements**

Invoices are issued twice yearly (every six months) and are due for payment within 28 days of issue, with further information or supporting documentation available on request.

A detailed property management statement is provided to owners at least annually, which shows all charges made and payments received over the year.

## **Making Payments**

Customers can pay weekly, monthly or quarterly and a range of payment options are available to make it simple to pay and keep accounts up to date as follows:

- Standing Order (a 10% discount is available for timeous monthly payment)
- Send a cheque made payable to Lanarkshire Housing Association Limited
- Pay by cash or cheque in person at our office
- Transfer by BACS (contact our office for details)

We accept payments made in advance, but also provide refunds on request and at change of ownership, where due, after the deduction of any outstanding debt.

We hold all funds received in secure interest-bearing accounts and these are retained separately, including those for different groups of homeowners, advance payments and our fee income or other funds.

## **(G) THE COSTS CHARGED TO OWNERS**

### **Factoring Deposit**

Corporate Services to insert information, three of four, In accordance with the Deed of Conditions for the development we take a £xxx Factoring Deposit from new owners, which is an advance payment to meet the cost of routine or minor repairs. This sum is refundable at the point of sale, less any sums due.

### **Management Fee**

We try to keep our costs low and competitive, so that we provide good value for money. This fee covers the general administration cost of providing the service and also includes the cost of carrying out Estate Management Services and technical inspections to any play areas. The fee is currently set at a maximum level and we may charge a lower fee to those owners living in a development receiving a reduced service. We will provide details of the current charge in our issued invoices/property statement and it will be reviewed annually and approved by our governing body. As we are not VAT registered, no VAT is added to our costs.

### **Building Insurance**

Owners will be advised in the invoices and annual statement of their contribution to the premium charged.

### **Owner's Share of Common Charges**

LHA calculates the proportion of common works and services that owners are responsible for, in accordance with the Deed of Conditions. This share may vary depending on the nature of the work or service i.e. whether it relates to the whole development or just the block where the owner lives, as per the Deed of Conditions.



In accordance with the Deed of Conditions, the share of common costs is (express as a percentage or fraction) – Note that there may be differing shares of works i.e. depending on whether it relates to the whole development or block only etc). Corporate Services to insert information four of four.

### **Estate Caretaker**

The cost of this service includes staff and transport costs, with 25% chargeable to LHA's Property Services and the remainder divided between all tenanted and factored properties that benefit from the service. The homeowner's cost for this service is currently set at a maximum level, although some smaller developments with a reduced service provision have a lower cost. The annual charge will be notified in the property invoice/statement, in accordance with the share the owner is responsible for.

### **Administration of Electricity Charges**

This applies to properties with close, stair and backcourt lighting, door entry or TV aerial amplification systems, with the actual cost of common electricity recharged to owners on a scheme/close/block basis in accordance with the share that the owner is responsible for.

### **Close Cleaning**

Where this is arranged by us, costs are usually recharged to relevant owners on an equal basis.

### **Future Maintenance Costs**

Cyclical Maintenance is a short to medium term programme that identifies the anticipated replacement of building components. This is usually carried out in conjunction with Planned Maintenance work, which addresses the long-term. Following from these, we plan programmes of common works, such as gutter cleaning, external paintwork and communal decoration.

In accordance with the Deed of Conditions, we require owners to set aside sufficient funds on an annual basis to cover the future cost of required works. The level of funding is reviewed annually, taking account of the actual and anticipated works for each development and any relevant factors within the Deed of Conditions. These funds are held in respect of the property and not the person, and are therefore not refundable at change of ownership.

We will advise owners of the required annual cyclical maintenance fund contribution each year in their statements/property invoices.

### **Delegated Authority on Maximum Works Cost Thresholds**

Emergency repairs will be instructed by us, regardless of value, without further consultation with owners. However, other repairs will only be carried out up to any value specified in the Deed of Conditions, with works above this level requiring the necessary approval from owners.

## **(H) PROPERTY MANAGEMENT ARREARS RECOVERY**

### **Paying Timeously**

Owners are required to settle their accounts within 28 days or make an appropriate repayment arrangement with us. It is important that accounts are paid promptly, so that we can continue to provide a high quality service. Late payments may lead to the loss of a discount, an additional charge or affect the delivery of a service.

### **Customers in Arrears**

If a customer is experiencing financial difficulty, it is important that they make us aware of this as soon as possible. When dealing with customers in arrears, we will approach them in a supportive and sensitive manner, signposting them to independent, free debt and benefit advice. We will provide reasonable timescales to comply with our requests, including offers to set up repayment plans.

However, where balances remain outstanding after 28 days and the owner has failed to approach or engage with us, we will issue reminder letters and may also make contact by other means, including phone, email, text messaging or home visits, in order to communicate about the arrears.

If our attempts to obtain full payment or an appropriate repayment plan have failed, we may take debt recovery or legal action to recover outstanding balances and we will issue a notice of our intention accordingly. We may also charge the costs of such actions to the account of the owner concerned.

We require owners' solicitors to notify us in advance of any proposed change of ownership and outstanding balances will be checked at that point. We also seek a forwarding address to allow follow up action, in the case of arrears. In cases of significant arrears, we may place an inhibition on a property, in order to prevent a sale.

## **(I) TERMINATING THE FACTORING SERVICE**

### **At Change of Ownership**

LHA must be informed of any impending change of ownership. Prior to the sale, owners should notify us in writing of the identity and current address of the new purchaser and proposed completion date.

Once we have received the above information, we will issue a final factoring invoice to the outgoing owner/ their solicitor and refund the factoring deposit, less any monies due. We will also provide information for prospective purchasers/their solicitor on the scope and cost of the factoring service and request their deposit. No charge is levied for this service.

**Ending LHA’s Role as Factor**

We believe we provide a professional and competitive service, however, the Deed of Conditions provides scope for appointing another factor. Owners wishing to terminate our services should therefore refer to the Deed of Conditions, or other relevant document providing authority, for information on this. Where this happens, we will provide a clear statement on how we will cooperate with another party taking on the role, to enable a smooth transition.

In the event that LHA decides to resign its role as factor, we will do so in accordance with the Deed of Conditions, or other relevant document.

**Declaration of Interest**

We do not have a financial or other interest in any contractors or service providers that we employ and do not receive any payment or benefit from them.

LHA may be a Proprietor and a Registered Social Landlord within the developments where we act as Property Manager. Contact us if you wish any further information.

Signed on behalf of Lanarkshire Housing Association

..... (Manager/Director)

Date .....

## **PROPERTY MANAGEMENT CHARGES AND COSTS**

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**THE FOLLOWING CHARGES AND COSTS SHOULD BE REVIEWED ANNUALLY:**

### **Factoring Deposit**

The sum for each development is determined within the Deed of Conditions. If an increase is proposed, reference to the Deed of Conditions is required in order to ensure compliance with this document.

### **Cyclical Maintenance Charge**

This sum covers the cost of the cyclical maintenance of common parts and requires to be set by LHA in accordance with the Deed of Conditions for each development.

### **Management Fee**

This is set at a maximum of £60, although properties not receiving the full service may be charged a reduced fee.

### **Building Insurance**

This is £50 per annum per property and the excess is £250 or £1,000 for subsidence.

### **Estate Caretaker Charge**

This is currently set at a maximum cost of £30 per annum, although some smaller developments may incur a lower charge due to a reduced service provision.