



Fife Council Factoring Service



A quick guide
to property factoring

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Fife Council Housing Services provides a property factoring management service where there is a mix of tenants and home owners within a block. A variety of services are offered which are tailored to the block with agreement from owners. Services can include maintenance to door entry systems, lifts, stairwells, lighting, bin chutes, common grounds and several more factoring services.

What is a property factor?

A property factor is an organisation that manages the maintenance and repair of the common parts of property or land owned by more than one individual.

The benefits of a property factor

Owners can be assured that the shared, common parts will be inspected and will receive routine maintenance to keep the property in good condition.

Having a property factor removes the burden from owners having to lead on services, liaise with contractors, organise and manage routine services and arrange repairs with other owners in the block. Fife Council's Factoring Service will do this on owners' behalf managing the day to day running of the shared, common parts of the property and overseeing all work.



Shared and common responsibilities

Owners will usually be liable for an equal share of the cost of common repairs, maintenance and improvements. For example, those in a block of six flats are likely to be liable for a 1/6th share of the costs, however the title deeds will normally determine responsibilities.

Shared, common parts can include, but are not limited to, stairwells, close and walkways, laundrette services, guttering, downpipes, roofs and any common garden ground that serves more than one property within the block.

Where there is mixed tenure and Fife Council owns properties within the block, the Council will act as both a home owner and factor, retaining responsibility for its share of the shared, common areas.



Understanding your title deeds

Title deeds are a legal document outlining who owns (or has ‘title to’) the property, confirming the parts of the building that are jointly owned with others, these being the shared or, common parts. The burden section within the title deeds confirms an owner’s obligations including all rights, restrictions and responsibilities that come with ownership of the property.

Owners may have the responsibility to share the cost of services, such as the electricity or gas usage within shared common areas, cleaning and maintenance to common closes or stairwells, maintenance work to common grounds and caretaking services.

Owners may be shown or given a copy of their title deeds by their solicitor when purchasing a property. A copy of title deeds can be obtained from Registers of Scotland by visiting www.ros.gov.uk to which there is a fee attached.

Title Plan

In addition to the title deeds a title plan is also available which will show the boundaries of the property and any land owned with it. The title plan identifies where there are shared paths, ground and outbuildings.



Written statement

It is a requirement to provide a written statement to all home owners receiving factoring services. The written statement sets out the terms and service delivery standards of the arrangement in place between the property factor and the home owner. All owners will receive a schedule along with the written statement following confirmation of ownership of the property. The schedule clarifies the main factoring services that will be provided within shared common parts.



Factoring services

Core and non-core factoring services are dependent on the design of the block, capacity to provide services, services agreed with owners and the content detailed within the owner's title deeds. Core services are carried out on a programmed basis. Non-core services are repairs, maintenance or improvement works required to ensure the fabric of the building is being satisfactorily maintained.

Examples of core services include:

- Grounds maintenance
- Stair cleaning
- Laundrette maintenance and utility costs
- Caretaking services
- Cleaning and maintenance of refuse chutes and bin storage
- Gutter cleaning
- Legionella testing
- Utility services provided within stairwells and shared common areas i.e. stair lighting and lighting within shared, common areas
- Maintenance of fire hopper, dry riser and fire alarm systems

Examples of non-core services include:

- Redecoration within shared common areas i.e. stairwells
- Routine repairs, maintenance and improvements
- Emergency repairs and maintenance



Repairs

Emergency Repair

An emergency repair is a repair where there is a clear health and safety risk and needs to be carried out to make the building safe and prevent any further damage to the property.

Examples of emergency repairs include:

- Close lights not working, leaving the stairwell in darkness
- A roof tile which has broken, is dangerous or letting in water
- A piece of rhone which is hanging from the building
- Burst pipes within communal areas

We aim to carry out emergency repairs within 24 hours of notification of the repair. Emergency repairs can be reported to Fife Council by calling 03451 55 00 11 between the hours of 8am and 6pm and outwith office hours you must contact Fife Council's out of hours service on 03451 55 00 99.

Where an emergency repair is reported, Fife Council will carry out the work required to make the property safe. Where further works are required, and the cost of the repair is above the delegated consent limit, all owners with a responsibility will be advised of their liability for the works required and the costs of carrying out the repair.

Where the cost is below the agreed delegated consent limit, these will be completed and the owner will become liable for their share of the costs.

Owners should refer to their written statement for further information relating to emergency repairs.



Routine repair

Repairs which do not fit the criteria of emergency works, but which would cause disrepair if left, are categorised as routine repairs. A routine repair can vary from a minor to major repair depending on the amount of work required.



Examples of routine repairs include:

- Repairs to the door entry system (non-emergency)
- Cleaning to guttering where moss has gathered
- Damaged roof tiles which need replaced
- Leaking rhones
- Faulty door closer on communal door

Repairs can be reported to Fife Council by:

- Contacting our contact centre repair line on **03451 55 00 11**
- In person at your nearest Fife Council Customer Service Centre

Where the cost of the repair is above the agreed delegated consent limit majority agreement from owners within the block must be reached prior to any work being authorised. Once agreement has been reached, works are passed to a tradesman. These are checked upon completion with the owner becoming liable for their share of the costs.

Where the cost is below the agreed delegated consent limit, these will be completed and the owner will become liable for their share of the costs.

Owners should refer to their written statement for further information relating to routine repairs.



Factoring charges



Factoring charges cover the costs of providing management and maintenance, for the upkeep of shared common parts of the property and land linked to a specific flat.

Factoring services are charged in arrears and each owner will receive an invoice detailing their share of services which have been provided. Upon receipt of an invoice, owners can either pay the invoice in full or make an arrangement to pay.

A management fee is also applied to the invoice to cover the costs of the factoring service. This fee covers a variety of tasks that the Factoring Service carry out such as inspections of the building, identifying repairs, liaising with contractors, arranging for repairs to be carried out, ensuring works are carried out to a satisfactory standard and also being a dedicated point of contact for enquiries. The team also maintains ownership records, keeps owners up to date on the services, issues invoices, monitors the core services being provided and checks that they are being carried out to ensure the fabric of the building is being well maintained.

There are various methods of paying factoring charges:

- **By phone** using our automated telephone payment line on 03451 55 00 55, option 3. This will allow payment to be made using debit or credit card – available 24 hours a day
- **By paying the invoice online** - www.fife.gov.uk/invoices
- **By Direct Debit.** Please contact the Income & Recovery team on 03451 55 11 55, option 2, to set up a direct debit
- **In person at any PayPoint or Post Office.** The invoice is required when making the payment



If an owner is experiencing financial difficulties and is unable to pay their invoice then they should contact the Income & Recovery team on 03451 55 11 55, option 2, to arrange a suitable payment plan.

Float and sinking fund

Fife Council does not currently operate a float or sinking fund. However, this is something that is being considered to assist owners to budget for unexpected property costs. A float or sinking fund would only be implemented following consultation and agreement with home owners.

- **A float fund** is a small advance amount of money kept in a separate maintenance account for your factored property. This is used for minor repairs.
- **A sinking fund** is an amount of money set aside to cover future major works on common areas of the property.

We recommend that owners save for repairs and improvements works, which will act as a safety net when required to pay for essential repairs.



Common block building insurance

Depending on the wording of the title deeds, owners may be required to take out a common block buildings insurance policy. Fife Council does not currently offer this service. It is the owner's responsibility to obtain common block building insurance to ensure they have appropriate cover for their mutual obligations and responsibilities. You are required to have insurance to cover the following situations –

- Fire and smoke damage to common parts
- Weather and storm damage to common parts
- Frozen or burst pipes, leaks to common parts
- Vandalism to common parts
- Subsidence
- Fallen trees causing damage to the structure of the block

The owners title deeds and their chosen insurance company will advise accordingly regarding the insurance required.



Selling your property

When selling a property, it is important that the out-going owner ensures the purchasers are aware of the responsibilities for factoring services concerning the shared common parts of the property. The out-going owner must inform Fife Council that their property has been sold and ensure all factoring charges are paid up to the date of the change in ownership. The factoring liability for the seller will then cease and transfer to the new owner from this date.

The out-going owner is required to provide any professional services i.e. solicitor or estate agent who are involved in the selling of the property with full details of the factoring services and arrangements (including charging) linked to the property being sold. This information should also include details of any outstanding factoring or shared mutual repair costs whether current or pending.



Communication

Our Factoring Service will provide clear, consistent, and easy to understand information. Customer satisfaction surveys will take place regularly to allow us to improve the services we provide. Should there be any queries or recommendations please do not hesitate to contact the team.

Enquiries

All enquiries should be directed to our Factoring Service who will aim to resolve any issues efficiently and promptly.

Visit: www.fife.gov.uk/factoring

Email: factoring@fife.gov.uk

Tel: 03451 555 555 ext 444504

Post: Fife Council,
Factoring Service,
Rothesay House,
Rothesay Place,
Glenrothes,
KY7 5PQ

Complaints

If an owner feels that their enquiry has not been resolved and wish to make a formal complaint, Fife Council complaints form can be found online at www.fife.gov.uk/commentsandcomplaints

The complaints process has two stages.

Stage one – frontline resolution

This could mean an on-the-spot apology and explanation if something has clearly gone wrong, and immediate action to resolve the problem.

We will advise of our decision at Stage 1 in five working days or less, unless there are exceptional circumstances.

If we can't resolve the complaint at this stage, we will explain why and tell the owner what they can do next. We might suggest that the owner takes the complaint to Stage 2.



Stage two – investigation

Stage 2 deals with two types of complaint: those that have not been resolved at Stage 1 and those that are complex and require detailed investigation.

When using Stage 2 we will:

- acknowledge receipt of the complaint within three working days
- discuss the complaint directly to understand why the owner remains dissatisfied and what outcome the owner is looking for
- give a full response to the complaint as soon as possible and within 20 working days

If our investigation will take longer than 20 working days, we will advise accordingly. We will agree a revised timescale with the owner and keep them updated on progress.

Should the complaint not be resolved and the owner feels there has been a failure to comply with the Code of Conduct or a failure to carry out duties then they may contact the Housing and Property Chamber First-tier Tribunal. The Housing and Property Chamber First-tier Tribunal exists to resolve complaints and disputes between home owners and property factors. Further information on this can be found at www.housingandpropertychamber.scot/



Frequently asked questions

I pay council tax, does this not cover my factoring charges?

Council tax payments do not cover any of the costs relating to factoring services. Your Council Tax payments cover services such as rubbish collection, environmental services and the maintenance of roads, pathways and public areas.

What do I do if I think I have been charged incorrectly?

If you think you have been charged incorrectly please get in touch with our Factoring Service immediately.

What happens if I can't afford to pay for the repair work when I receive my invoice?

It is important that maintenance repairs are carried out to prevent deterioration which may lead to further costs, therefore Fife Council will carry out the works on approval from owners where required and invoice all owners who are responsible for a share of the costs. Contact can be made with our Income & Recovery team to discuss a payment plan to arrange a monthly direct debit.

Can I appoint a relative or agent to represent me and deal with my affairs?

Yes you can, please contact our Factoring Service to discuss this further as signed declaration is required.



Legislation governing Fife Council's Factoring Service



Property Factors (Scotland) Act 2011

The Act aims to set minimum standards of practice for the management of the residential property and land management industry and to provide increased protection for home owners who use the services of a property factor. The Act applies to all factors including local authorities, registered social landlords and commercial businesses. The act introduced the following key elements:

- A Code of Conduct for all property factors
- A Property Factors Register
- A Dispute resolution mechanism –
Housing & Property Chamber First-tier Tribunal

Code of Conduct

The Property Factors (Scotland) Act 2011 includes a Code of Conduct for all property factors. The code sets out minimum standards of practice for registered property factors. Registered property factors are legally obliged to comply with the code. The Code of Conduct can be found at

www.gov.scot/publications/property-factors-scotland-act-2011-code-conduct-property-factors/



The Property Factors Register

The Property Factors Register is administered by the Scottish Government. Any organisation acting as a property factor must register with the Scottish Government. Fife Council are a registered Property Factor. The Property Factor Register was established under the Property Factors (Scotland) Act 2011 which came into force on 1st October 2012 and can be found at www.propertyfactorregister.gov.scot/PropertyFactorRegister/

The Tenements (Scotland) Act 2004

The Tenements (Scotland) Act 2004 is an Act of Scottish Parliament which regulates the law regarding tenements. “The term ‘tenement’ covers a wide range of property including traditional sandstone tenements, large houses converted into flats, high rise blocks and four-in-a-block. The Act provides a structure for the maintenance and management of tenements if this is not provided for in the owner’s title deeds.

The act sets a decision-making structure that makes it easier to carry out repairs and maintenance.

Tenements Management Scheme

The Tenement Management Scheme is a default management scheme which will ensure that every tenement in Scotland, existing and built in the future will have proper rules for maintenance and management. If existing tenements have defective title deeds or if their title deeds are silent on a particular matter, the rules of the Tenement Management Scheme will be applied to them.





For further information please contact
Fife Council's Factoring Service
Property Factor Registration No PF000361

Visit: www.fife.gov.uk/factoring

Email: factoring@fife.gov.uk

Tel: 03451 555 555 ext 444504

Post: Fife Council,
Factoring Service,
Rothesay House,
Rothesay Place,
Glenrothes,
KY7 5PQ



Data Protection

Fife Council Housing Services collect, process and hold your personal information to deliver housing services effectively and to meet strategic and statutory responsibilities.

For more information about how we use the information that you give us please visit www.fife.gov.uk/privacy/housing