



## GROUP FACTORING POLICY

<p><b>Rural Stirling Housing Association, Stirling Road, Doune, FK16 6AA</b>  <b>Registered as a Scottish Charity No. SC037849</b>  <b>Venachar Limited, Incorporated under the Companies Act (Company Number SC447415),</b>  <b>Registered Office: Stirling Road, Doune, FK16 6AA</b></p>	
<b>Policy Name</b>	Group Factoring Policy
<b>Policy Category</b>	Housing Services
<b>Data Policy Reviewed</b>	13 March 2025
<b>Review Period</b>	3 Years
<b>Next Review Due</b>	March 2028
<b>Equality Impact Assessment</b>	Yes

## **1.0 Purpose**

- 1.1 The Rural Stirling Housing Group (RSG) provides factoring services in mixed tenure and fully owned buildings to a wide range of customers including owner occupiers, shared equity owners and tenants. Factoring involves managing the common parts and building fabric of our managed portfolio.

The underlying objective is to deliver a quality factoring service in an efficient and effective way which maximises our income, demonstrates value for money and meets legal and statutory requirements, best practice and Scottish Housing Regulator guidance.

## **2.0 Scope**

The Policy relates to the provision of factoring services including:

- Information and advice
- Management and administration services
- Supply of written statements
- Enforcement of title deeds and other property management conditions
- Buildings insurance cover (where applicable)
- Day to day common repairs
- Cyclical maintenance regimes
- Major repairs and works including use of Minute of Agreement
- Estate management and maintenance of the physical environment
- Raising and collection of charges from owners for factoring services
- Debt recovery
- Owners' consultation and communication

## **3.0 Equality & Diversity Statement**

- 3.1 We will ensure that this policy is applied fairly and consistently. In implementing this policy, we will not directly or indirectly discriminate. Our commitment to equality and fairness will apply irrespective of factors such as age, disability, gender reassignment, marital or civil partnership status, pregnancy or maternity, race, religion or belief, sex, sexual orientation.

This policy and any other Rural Stirling Group (RSG) publication is available in other formats e.g., other languages, Braille, large print, audio.

## **4.0 General Data Protection Regulations**

The organisation will treat personal data in line with our obligations under the current data protection regulations and our own Data Protection Policy and Information

Security Policy. Information regarding how this data will be used and the basis for processing this data is provided in RSG's privacy notices.

## **5.0 SHR Regulatory Standards**

5.1 The SHR's regulatory framework sets out Regulatory Standards of Governance and Financial Management to be achieved by all Registered Social Landlords (RSLs). The Board accepts that it is responsible for ensuring that the Association complies with these standards. The standards of direct relevance to this policy are noted below:

*Standard 1- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.*

*Standard 2 - The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.*

*Standard 4 - The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.*

*Standard 6 - The governing body and senior officers have the skills and knowledge they need to be effective.*

## **6.0 Relevant Legislation**

6.1 The following principles govern RSG's approach to factoring:

- We will comply with all relevant legislation and statutory requirements and within the parameters of the title deeds. Relevant statutes include:
  - Property Factors (Scotland) Act 2011 including
    - Statutory Code of Conduct (revised 16 August 2021)
    - Written Statement of Services
    - Dispute resolution mechanism – Housing & Property Chamber (First Tier Tribunal for Scotland)
  - Tenements (Scotland) Act 2004
  - Title Conditions (Scotland) Act 2003
  - Other legislation or by agreement in writing with the homeowners, or by order made by a court or by the Lands Tribunal for Scotland
- We will aim to follow good practice guidance
- We will operate its factoring business with transparency
- Our advice to owners will be impartial, factual, clear and comprehensive
- We will devise procedures for compliance with this policy

## 7.0 Policy Details

### 7.1 Definitions

For purposes of this policy, unless otherwise stated, the following definitions shall apply:

Term	Definition
RSG	Rural Stirling Group
Owners	Owners and Shared Equity Owners
Factor	Manages the common parts of land used to any extent for residential purposes and owned by two or more persons, or by the Housing Association and one or more other person
SMT	Senior Management Team

### 8.0 Policy Objectives

The aims and objectives in the delivery of our factoring service are to:

- Ensure that properties and the surrounding environment are maintained to the highest standard with the appropriate professional expertise.
- Establish and implement efficient repair and maintenance services including open and accountable procurement and tendering procedures, in accordance with the relevant Deeds and in consultation with owners. Procure services in a fair, open and transparent manner and in line with the organisation's Procurement Policy.
- Establish accounting practices that are robust and transparent, ensure accurate apportioning of costs and regular billing of invoices. Maintain effective recording and monitoring systems.
- Ensure there are clear and effective procedures in place to recover factoring charges in a fair and consistent manner and in accordance with the Title Deeds to minimise arrears and maximise recovery of sums owed. Take all appropriate and ethical action to recover bad debt and prevent accumulation of high arrears in line with the our Debt Recovery Policy and Procedure. Ensure that owners are aware of the implications of non payment of factoring charges.
- Assist owners in planning for their longer-term financial commitments by operating sinking/contingency funds as required.
- Ensure a robust communication strategy is in place which includes a full suite of communication documents to establish and sustain good communication links with its factored owners.
- Ensure owners are fully aware of their responsibilities in relation to factoring and title deed conditions.
- Actively promote owner engagement and encourage owners' participation in the management of their property particularly in relation to decision making.
- Encourage engagement with and feedback from owners in relation to the quality of service provided.

- Identify key staff and clarify their roles and responsibilities in providing an efficient and effective factoring service.
- Ensure effective co-ordination between everyone responsible for the factoring service. Establish clear procedures and communication systems between relevant staff.
- Monitoring and reporting key performance of the factoring service to the Board quarterly.

## **9.0 Monitoring and Control**

Delivery of the Factoring Service will be the responsibility of:

- The Chief Executive Officer as the responsible person as defined in the Property Factors (Scotland) Act 2011
- The Housing Services Manager having primary responsibility for the factoring service.
- Housing and Property Services, Finance and Corporate Services in relation to the provision of support services
- All staff will ensure this policy is followed

The following areas will be subject to monitoring and control by the Associations SMT and internal audit:

- Policy effectiveness
- Policy compliance
- Risk management
- Staff training

## **10. Related Documents.**

This policy relates to the following documents:

- RSG Factoring Procedures 1-6
- Annual Procurement Strategy
- Data Protection Policy
- Data Retention Policy
- Equality, Diversity and Human Rights Policy

## **11.0 Review**

- 11.1 We will review and update this policy every three years. More regular reviews will be considered where, for example, there is a need to respond to new legislation/policy or regulatory guidance.