



FACTORING POLICY

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Policy	Factoring Policy							
Version reference	6.0							
Approved by	Board of Management							
Date of Approval	6/06/2024							
Review Period	5 years							
Review Due	February 2029							
Policy Review	Director of Housing Management							
Who this policy affects	Board	<input checked="" type="checkbox"/>	Customers	<input type="checkbox"/>	Contractors	<input type="checkbox"/>	Members of the Public	
Where this policy affects	General needs			<input type="checkbox"/>	Supported		<input type="checkbox"/>	Office / staff base

1. Introduction

1.1 'Factoring' is defined as: *"a property management service offered to property owners to coordinate and carry out work on their behalf, usually in respect of repairs, improvements, maintenance, insurance and administration."*

Factoring services and responsibilities may relate to areas of common land, blocks or spaces as well as to specific properties.

1.2 Almond Housing Association Limited (AHA Ltd.) will provide a factoring service for owners subject to:

- the Deed of Conditions specifying clearly the activities to be covered by a factoring service together with the rights and responsibilities of the owner and the factor;
- where there are several owners in a block, the Deed of Conditions stating that a majority of owners may appoint a factor, i.e. the agreement of all the owners is not required either at the start of the arrangement or in the future;
- seeking to ensure that the costs of providing the service are covered by appropriate charges;
- seeking to ensure that where possible no factoring costs will be met by tenants and that, only in exceptional circumstances where there is an overall benefit to AHA Ltd. and the wider community, will general funding be considered.

2. Statutory Requirements

2.1 AHA Ltd. will ensure that the factoring service provided complies with all current legal requirements, statutory regulations, codes of practice and current appropriate guidance.

2.2 In particular AHA Ltd. will ensure that we comply with the Property Factors (Scotland) Act 2011, the Code of Conduct for Property Factors approved by the Scottish Parliament as part of the implementation of the Act, the revised Code of Conduct from August 2021 and any other regulations or guidance issued as part of implementing the Act.

3. Consultation, information and liaison

3.1 AHA Ltd. will ensure that appropriate information on the factoring service is issued to owners in a variety of ways, such as written communication and on our website.

3.2 As required by the Property Factors Act, AHA Ltd. will ensure that a Statement of Services containing the information specified in the Code of Conduct is issued to each new owner who receives a factoring service from us. When we are advised of a change of ownership AHA Ltd. will issue a fresh Statement to the new owner.

3.3 If we make any major changes to the factoring service, either in the range of activities covered or in the way we deliver them, AHA Ltd. will issue a revised Statement of Services to the owners affected, following consultation where required, to comply with the Code of Conduct.

3.4 AHA Ltd. will consult and liaise with owners as required on repairs or maintenance work, as detailed in the procedures supporting this policy. With regard to reactive repairs, AHA Ltd. will normally only consult in advance where the repair is not urgent, and the individual cost of the work required will exceed £250 (excluding VAT).

3.5 AHA Ltd. will arrange meetings on factoring services with owners as required, or in response to a request from owners.

4. Emergency Arrangements

4.1 AHA Ltd. will ensure that owners are advised of the arrangements for dealing with emergency situations affecting the common areas, including call-out arrangements where appropriate.

5. Fees and charges

5.1 Each year, following a recommendation from the Director of Finance and Business Support, the Board of Management will approve the management fee to be charged to owners in receipt of the factoring service.

5.2 The management fee will be set at a level which ensures that AHA Ltd.'s costs in providing the service are fully recovered.

5.3 All owners in mixed tenure blocks will be required to have their properties included in AHA Ltd.'s block buildings insurance policy. Each owner's share of the annual premium will be charged in the first invoice issued each financial year.

5.4 All owners in mixed tenure blocks will be invoiced for their share of the costs of repairs and maintenance to the common areas of their block, maintenance of common landscaping and shared services such as main stair electricity.

6. Invoicing and arrears

6.1 Invoices will be issued quarterly to owners receiving a full repairs and landscaping service, and 6-monthly to owners receiving a landscaping service only. Invoices will be followed up to ensure payment and minimise arrears.

6.2 Owners will be given reasonable opportunities to clear any outstanding accounts on the basis that the total debt should be paid off within 6 months of the invoice being issued.

6.3 In the case of large invoices for repairs, where the cost per owner is at least £1,000, AHA Ltd. may agree alternative payment arrangements over a longer period to ensure recovery of the costs. However, this cannot be over 12 months and requires approval from the Housing Support Officer (Debt Recovery).

6.4 In the case of cyclical and planned maintenance contracts AHA Ltd. will agree with each owner involved a payment arrangement to ensure that their share of the costs is paid within an acceptable time.

6.5 As a last resort, AHA Ltd. will consider taking legal action to recover the outstanding debt.

7. Equality, Diversity & Inclusion

7.1 Almond aims to ensure that equality, fairness, dignity and respect are central to the way we work and how we treat our customers. We support diversity and uphold equal opportunities in all areas of our work as an employer and service provider.

7.2 Almond will not discriminate against tenants, staff, visitors, suppliers or others based on their age, sex, sexual orientation, race, disability, religion or belief, marital status, pregnancy and maternity or gender reassignment (collectively referred to as 'protected characteristics' in the Equality Act 2010).

8. Data Protection

8.1 Our policies and procedures foster an approach of 'data protection by design and by default'.

What this means in practice is that:

- Policies and procedures consider data protection issues, ie how to protect the data subject served by the policy or procedure;
- New systems, services, products and business practices involving personal data are designed and implemented to ensure personal data is protected by default;
- That the Data protection principles and safeguarding of individuals' rights (such as data minimisation, pseudo anonymisation, and purpose limitation) are clear in the policy or procedure;
- And that if the policy or procedure aims to provide service to vulnerable groups (e.g. children) that the personal data is treated with extra protection.

What this requires users of this policy to do is:

- Make sure that staff understand why data protection is important for the implementation of this policy, for instance via training or by reading the data protection policies;
- If we are undertaking a review of the policy, change to process or change to system, that we must consider doing a Data Protection Impact assessment, if the change is likely to result in a high risk to individuals.
- It is also good practice to do a DPIA for any other major project which requires the processing of personal data.

We will consult our data protection officer, if there is doubt over these requirements.

9. Policy Review

9.1 This policy will be reviewed every 5 years or as required due to legislative or regulatory change.

The review will be completed by the Director of Housing Management and circulated to the Board of Management for approval.

10. Associated Policies & Guidance

10.1 This Policy takes account of the following documents:

- Property Factors (Scotland) Act 2011
- Revised Property Factor Code of Conduct 2021
- Rules of Almond Housing Association
- Equality & Diversity Policy
- Openness & Confidentiality Policy
- Scottish Federation of Housing Association's Code of Conduct for Governing Body Members
- Scottish Housing Regulatory Standards of Governance & Financial Management
- Debt recovery procedures

11. Responsibilities Chart

11.1 The chart below illustrates the responsibilities of all staff in relation to this policy.

	Board	Director of Housing Management	Director of Finance & Business Support	Operational Managers & teams
Approve Policy	✓			
Renew policy		✓		
Ensure Insurance in place			✓	
Ensure owners updated on repairs and upgrades				✓
Update board		✓		
Recommend factoring fee			✓	
Ensure invoicing and other communications sent				✓

Policy Assessment Checklist

Health & Safety Assessment

Does this policy have the potential to affect:

	Yes	No
Lone Working	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Safety and/or wellbeing of customers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Safety and/or wellbeing of staff	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Equality Impact Assessment

Does this policy have the potential to affect:

	Yes	No
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Marriage and Civil Partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pregnancy and Maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sexual orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you have answered 'Yes' to any of these points, please complete a full Equality Impact Assessment. If you have answered 'No', you need take no further action in completing an Equality Impact Assessment.

Data Protection Impact Assessment

Carrying out a Data Protection Impact Assessment [DPIA] will be useful to any project – large or small – that:

- Involves personal or sensitive data about individuals
- May affect our customers' reasonable expectations relating to privacy
- Involves information that may be used to identify or target individuals

A Data Protection Impact Assessment [DPIA] must be completed if the policy involves one or more of the following (please tick each that apply to this policy):

Evaluation or scoring	<input type="checkbox"/>
Automated decision-making with significant effects;	<input type="checkbox"/>
<i>Systematic monitoring</i>	<input type="checkbox"/>
<i>Processing of sensitive data or data of a highly personal nature</i>	<input type="checkbox"/>
<i>Processing on a large scale</i>	<input type="checkbox"/>
<i>Processing of data concerning vulnerable data subjects</i>	<input type="checkbox"/>
<i>Innovative technological or organisational solutions</i>	<input type="checkbox"/>
<i>Processing that involves preventing data subjects from exercising a right or using a service or contract</i>	<input type="checkbox"/>
<i>Use systematic and extensive profiling or automated decision-making to make significant decisions about people</i>	<input type="checkbox"/>
<i>Process special-category data or criminal-offence data on a large scale</i>	<input type="checkbox"/>
<i>Systematically monitor a publicly accessible place on a large scale</i>	<input type="checkbox"/>
<i>Use of new technologies involving significant innovation</i>	<input type="checkbox"/>
<i>Use profiling, automated decision-making or special category data to help Make decisions on someone's access to a service, opportunity or benefit</i>	<input type="checkbox"/>
<i>Carry out profiling on a large scale</i>	<input type="checkbox"/>
<i>Process biometric or genetic data</i>	<input type="checkbox"/>
<i>Combine, compare or match data from multiple sources</i>	<input type="checkbox"/>
<i>Process personal data without providing a privacy notice directly to the individual</i>	<input type="checkbox"/>
<i>Process personal data in a way that involves tracking individuals' online or offline location or behaviour</i>	<input type="checkbox"/>
<i>Process children's personal data for profiling or automated decision-making or for marketing purposes, or offer online services directly to them</i>	<input type="checkbox"/>
<i>Process personal data that could result in a risk of physical harm in the event of a security breach</i>	<input type="checkbox"/>
<i>There is a change to the nature, scope, context or purposes of our processing</i>	<input type="checkbox"/>

If a DPIA is not carried out, please summarise the reasons below

We only hold standard data, there is no requirement for DPIA