



SIMPLY FACTORS

WRITTEN STATEMENT
OF
FACTORING SERVICES
MARIONVILLE

Date of Issue:

Management Appointment Date: JULY 2017

Property Factor Registration Number: PF000531

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1.0 INTRODUCTION

1.1 In accordance with the Property Factors (Scotland) Act 2011, this written statement of services sets out the terms and service delivery standards of the arrangements in place with Simply Factors and the homeowners.

1.2 This statement has been set out in accordance with the requirements of the Property Factors (Scotland) Act 2011 and its associated Code of Conduct.

1.3 This statement is reviewed on an annual basis. Should any amendments be required to this statement you will be informed in writing of the changes, and a new statement issued to you.

2.0 AUTHORITY TO ACT

2.1 Simply Factors was appointed to manage the communal areas of your development. Our management is either the result of appointment by a developer, appointed by a decision of a majority of homeowners or as property factor by custom and practice.

2.2 The management appointment date is recorded on the front page of your written statement of services.

2.3 Simply Factors authority to act include the management of:

- Routine maintenance contracts
- Ongoing repair works
- Project works
- Emergency repairs
- Utilities and utility invoices (where applicable)
- POL insurance
- Block insurance (where applicable)

2.4 If an emergency repair is required to be carried out, Simply Factors will authorise repairs, whatever the value, and advise the Homeowners Association or the majority of owners of the cost when known.

2.5 The decision to any repair as an emergency will be made by Simply Factors

based on conditions and hazards present. Third party assessment may be required as a surveyor to determine extent and costs.

2.6 Non-emergency repairs the decision to authorise works will be decided by Simply Factors up to a value of £500.00 or decided by Homeowners Association or terms of the Deed of Conditions. Any works that are likely to exceed this amount will require approval from the Homeowners Association or majority of the owners.

3.0 SERVICES PROVIDED

3.1 Simply Factors are responsible for the general maintenance, management and administration of all common parts of your stair, block, development and we provide an extensive range of services.

The services we provide include:

- Inspections

We carry out monthly inspections of the development communal areas. Inspections unless otherwise agreed are restricted to a visual inspection only of easily accessible areas. Roofs are excluded and inspected from ground level only. Special arrangements can be made to have roofs inspected.

- Routine Repairs

Repairs are carried out in accordance with the Deed of Conditions or authority from the owners association or majority of owners, and are subject to satisfactory funding. We aim to instruct contractors the same/following working day and arrange for the completion of jobbing repairs as soon as practicable.

- Emergency Repairs

Emergency repairs are those which if not attend to will otherwise seriously affect the structural integrity of the property, the occupation of the property, constitute a danger to health & safety or the compromise the security of the block or development. We endeavour to have these carried out within 24 hours of notification.

- Maximum Response Times

Emergency Routine

Category Repairs Repairs

Plumbing 4 Hours 7 Days

Roofing 24 Hours 14 Days

Electrical 4 Hours 7 Days Joinery 24 Hours 7 Days Lift Trap 4

Hours N/A Lift Breakdown 4 Hours N/A

These timescale assume we have adequate funding made available to us by you and your fellow homeowners. In the event that we require competitive estimates for work, we request that these be provided by contractors as soon as possible. In exceptional circumstances (e.g. severe weather, complexity of work) it may take longer to acquire estimates than noted above, however, we will advise homeowners accordingly. It should also be noted where parts are not readily available this may impact the time taken for repair.

- Major Projects

These will be planned between Simply Factors and the homeowners, normally at an annual general meeting, in line with the requirements of the Deed of Conditions or homeowners' association constitution. We will seek competitive estimates for any major repairs required, and will, as may be appropriate, recommend the appointment of surveyors, architects, and structural engineers etc. to assist in the provision/production of specifications for major repair works. Additional fees will be incurred for the appointment of surveyors, architects, structural engineers etc.

- Insurance

Insurance is arranged (where applicable) as per the Deed of Conditions or as agreed with the owners association or majority of owners. Policy details are always available upon request.

- Communal Block Cleaning

Arranging and supervising the cleaning of the communal entrances, hallways, stairs, landings and windows to our standard specification.

- Communal Garden & Landscape Maintenance

Arranging and supervising the summer/winter communal landscape contract based on our standard specification.

- Hard Standing Areas

Arrange maintenance and repairs required to car parking areas, roads,

pavements and footpaths. This is undertaken where the local authority has not adopted these areas.

- Boundaries

Arrange for maintenance of the common boundaries to the development.

- Play Areas

We will have annual inspections carried out of all play areas (where applicable)

- Plant & Machinery Maintenance

Arrange (where applicable) that the relevant maintenance and safety inspections are carried out. This would pertain to items such as lifts, security door entry systems, communal TV aerial / satellite systems, lightning conductors, anchor bolts, smoke detection system etc. We will also arrange for regular testing of fire alarm and smoke detection systems.

- Equipment Maintenance

Arrange maintenance contracts for communal lifts and other installed machinery.

- Lighting

Unless adopted by the local authority we will maintain the block and all other communal lighting.

- Decoration

Arrange redecoration of all communal internal and external painted surfaces within the development as per the terms of the Deed of Conditions or by agreement of the owners association or by majority of owners.

- Finance

Paying all accounts of a communal nature relating to the common property of the development and account to our clients.

- Owners Meetings

When required attend the annual general meeting of the owners association. We are also happy to attend and / or undertake the conveying of meetings when requested, however this is out with our standard management contract. Any meeting out with the normal

business hours are subject to an additional charge details of which are available on request.

3.2 We only manage areas of shared ownership and are not responsible for owner's individual properties.

3.3 Homeowners are responsible for maintaining their own properties in good order. Private areas pertaining to a single flat or house are not included in our services. These include, but may not be limited to:

- All internal areas pertaining to the property
- Entry phone systems inside the property
- Private gardens
- Private balconies
- Main doors to individual properties
- Private windows and surrounds, sills, mastic etc.
- Private vents and flues
- Overflows
- Private water/gas pipes etc. from the point of exit from communal supplies

4.0 FINANCIAL AND CHARGING ARRANGEMENTS

4.1 Management Fee

- Our annual management fee is for the provision of our factoring service as (Agent) on your behalf and it is reviewed annually in July. Any increase greater than the rate of inflation will be notified to you in writing. Our fee is a separate charge on your monthly invoice and it is described as a 1/1 charge.

4.2 Apportionment of Costs

- All costs associated with on-going common works and services provided by Simply Factors in the maintenance of the development, will be shared, as appropriate between homeowners.

4.3 Floating Funds

- On appointment of Simply Factors to manage a development, a float payment of £250.00 is required from each homeowner within fourteen

calendar days of receipt of the Welcome Pack. This float is used as a fund to pay contractors' invoices and is required as invoices are charged in arrears.

- Float payments are repaid to each homeowner after departure from their property and will appear as a credit on the final invoice.
- The final invoice will be produced six weeks after notification of the date of sale to ensure all contractors invoices have been received and settled.
- The full amount of the float payment will be repaid to the homeowner minus any outstanding costs on the account.
- The float payment amount quoted may be subject to change, by agreement with the Homeowners Association or the majority of owners should the costs to manage the development increase significantly.

4.4 Contingency / Sinking / Reserve Funds

- If a Contingency / Sinking or Reserve Fund exists for the property, this will be held in a separate interest bearing bank account on behalf of the proprietors. Payments to this fund are non-refundable, having become an asset of the property and, therefore, transfers with ownership of the property.

4.5 Sales Apportionment Fee

- If you sell your property, your Solicitor will normally ask us to provide them with details of the current factoring agreement and associated costs to complete the sale. This is currently no administration apportionment fee for this service.

4.6 Professional Service Fees

- Additional fees will be incurred for the appointment of professional services from surveyors, architects, structural engineers etc.

4.7 Invoicing

- Simply Factors issues an invoice on a monthly basis.
- All costs, including management fees, are charged monthly in arrears. Insurance premiums may vary.
- Full itemised monthly invoices are produced and dispatched to homeowners with seven working days from the 1st of the month. Any

late receipt of a contractors invoice will show on the next monthly invoice.

- Invoices can be paid by the following methods:
 1. Standing order
 2. Cheque
 3. Cash (only if visiting the office)
- If paying by standing order, Simply Factors will advise the payment amount required based on recent average costs. As on-going costs do fluctuate, homeowners must check their invoice and pay any outstanding balance on their account each month. It is the homeowner's responsibility to ensure their account is paid up-to-date each month.
- Any disputed items on a monthly invoice should be raised with seven days of receipt to Simply Factors accounts department. All undisputed items should be paid with the twenty days payment terms.

4.8 Client Bank Account

- Simply Factors has a specific (Client Bank Account) into which all floats and homeowners payments are made and from which all contractors invoices etc. are paid. This account is separate from the Company's operating account and is securely protected against financial failure of the business.
- Simply Factors retains any interest accrued on the (Client Bank Account). It also pays all charges incurred on the account such as BACS transfer to contractor's, card machine charges etc. For the avoidance of doubt, (Client Bank Account) charges far exceed the value of interest gained.

4.9 Payment of Invoices

- Payments are due within fourteen days from date of issue.
- A late payment fee of £25.00 plus VAT is applicable to late payments.

4.10 Debt Recovery

- Notice of Court Proceedings a fee additional to the late payment fee is applicable, currently £20.00 plus VAT
- Notice of Potential Liability for Costs against the title of the defaulter's

property an administration fee of £100 plus VAT is applicable. • All legal costs incurred in the recovery of debt will be charged directly to the defaulting homeowner.

- If all available means to recover the debt have been exhausted without success, the outstanding amount may be spread, as a cost, between the remaining homeowner in the development in line with the Deed of Conditions or Tenements (Scotland) Act 2004.
- A copy of Simply Factors debt recovery process is available on request. • Details of the development debt position will be provided at each annual general meeting of the owners association. Details provided will include the number of defaulting owners and amounts due. Details of action taken and status (i.e. debt recovery, legal action etc.). Names of individuals who are at the legal (decree) stage may be passed on if requested.

4.11 Contractors Invoices and Payments

- Simply Factors settles all contractors' invoices within fourteen days of receipt.
- No mark up, commission or any other form of remuneration is taken by Simply Factors in its dealings with subcontractors.

5.0 COMMUNICATION ARRANGEMENTS

5.1 We at Simply Factors believe in providing the best possible service to all our clients. Good communications between the factors and the homeowner are essential to building a successful relationship. For general enquiries you should contact the Property Manager for your development in the first instance by the following:

- Telephone

In most circumstances you will be able to speak to your Property Manager on the day of the call. If circumstances prevent us returning your call that day, you should expect a call by the end of the next working day. Calls may be monitored and recorded for educational and training purposes.

- Email

We will endeavour to issue a response within 5 working days of receipt of any email from you, (excluding public & statutory holidays). If we are unable to fully respond within the timescale you will receive an acknowledgement to your email and, where appropriate, an indication of when you can expect a full reply.

- Letter

We will endeavour to issue a response within 5 working days of receipt of any letter from you, (excluding public & statutory holidays). If we are unable to fully respond within the timescale you will receive an acknowledgement your letter and, where appropriate, an indication of when you can expect a full reply.

- In Person

You can make an appointment to arrange a meeting with your Property Manager either at our offices or to meet you on site during normal working hours. Due to the nature of our role we would ask that you phone the Property Manager to make this appointment.

6.0 INSURANCE

6.1 Block Buildings Insurance

Simply Factors through our appointed insurance broker obtain a competitively priced insurance policy in respect to the block and common parts and will deal with all claims associated with the common areas. The insurance shall be affected by a common policy in the name of Simply Factors on behalf of the proprietors of all the dwelling properties.

6.2 Property Owners Liability (POL)

POL cover is included in our comprehensive buildings policy. Where we do not place comprehensive cover on behalf of the clients, we place POL cover as a mandatory requirement of our factoring of your property, and do so to protect all clients under one policy, in individual buildings, or estates, against liability claims.

6.3 Professional Indemnity and Employer Liability Insurance

Simply Factors has in place adequate professional indemnity insurance as well as employer liability insurance. Details of the policies are available on request.

6.4 Other Insurance Cover

Simply Factors will also provide other insurance cover as requested and in line with the requirements of the development (for example lift engineering insurance).

6.5 Sub-contractors Public Liability Insurance

Simply Factors ensures that all contractors provide us with a copy of their Public Liability Insurance before instructing any works with the company.

6.6 Insurance Excess

Unless instructed by the homeowners association or by majority of owners, and excess applicable to the co-owner's insurance policy will be apportioned between all owners covered by that policy. Any excess will be liable to be charged at the date of the claim and an appropriate retention of monies will be withheld from any owner selling his / her property after the date of the claim.

6.7 Insurance Broker

Our appointed brokers will undertake a renewal process each year and provide their recommendations accordingly.

6.8 Building Reinstatement Valuation

In accordance with the Property Factors Act and Code of Conduct, we will periodically seek homeowner instructions with regard to the arrangement of building reinstatement valuations. This will allow homeowners to assess the accuracy of the sum insured. These reinstatement valuations will incur additional charges, the details of which will be agreed with you and a majority of your fellow homeowners, in advance of each valuation being undertaken.

Please note that each homeowner is responsible for ensuring that their individual property is adequately insured for the full reinstatement value. Failure to do so may result in a valid claim not being paid in full.

6.9 Home owners Responsibilities

- If you become aware of a building defect that may cause injury or damage to persons or property, it is imperative that we are advised timeously, and in writing, as failure to do so may impinge on the POL and buildings cover pertaining to the development.
- Proprietors should advise us of any major change to the property insured, as this may impact on the nature of the risk, and as such must be disclosed to the Insurers.

6.10 Commission

Simply Factors do not receive any insurance commission from its broker, and

nor do we apply a percentage on top of the premium charged to homeowners.

6.11 Claims Procedure

A procedure is in place for submitting an insurance claim under the block buildings insurance policy.

7.0 SALE OF PROPERTY

7.1 An owner must inform Simply Factors when they sell a property and provide details of the date of exchange and name of the new owner. The owner must ensure that their solicitor notifies us in writing and the new owner must be advised that the property is factored by Simply Factors.

7.2 Where a property is sold, we are required to provide solicitors with certain information in regards to the factoring agreement with Simply Factors and associated costs. In addition the change of ownership must be administered on our factoring system. We do not charge an additional fee for this service.

7.3 New owners will be issued with a Welcome Pack and Written Statement of Factoring Services with twenty eight days of us becoming aware of the change of ownership.

8.0 COMPLAINTS PROCEDURE

8.1 Simply Factors is committed to provide the best possible service to owners of the properties we factor and get things right first time. However, despite our best efforts and intentions, we acknowledge from time to time people may be unhappy with an aspect of the service we deliver. If this is the case we want to hear from you so that we can put things right.

- Any complaint is treated seriously
 - Complaints will be dealt with promptly and in confidence
 - Complaints will be treated impartially

If you wish to register a complaint homeowners must do so in writing to:

Customer Services
Simply Factors Limited

17/17A Academy Street
Leith
Edinburgh
EH6 7EE

It would be helpful if the complaint can be as detailed as possible. We will reply within 7 working days confirming a timescale for resolution. We will investigate the complaint and endeavour to resolve it within 28 working days.

If the homeowner is dissatisfied with the response received, they have the right to escalate the complaint to:

Operations Manager
Simply Factors
17/17A Academy Street
Leith
Edinburgh
EH6 7EE

Once our final position has been confirmed, the homeowner may have the right to apply to:

Homeowners Housing Panel
Europa Building
450 Argyle Street
Glasgow
G2 8LH

Email: hohpadmin@scotland.gis.gov.uk

An application form is available from their website at <http://hohp.scotland.gov.uk>

Please note: You must provide:

1. Evidence that you have notified your Property Factor of your complaint and that the Property Factor has refused to resolve the complaint or has unreasonably delayed resolving the complaint;
2. Copies of any correspondence which you have sent and received from your Property Factor regarding your complaint, including the Factor's response to you notification of complaint; and
3. A copy of any Statement of Services provided by your Property Factor.

9.0 DECLARATION OF INTEREST

9.1 Simply Factors will inform you if at any time it has or acquires any financial or other interest in your property.

9.2 Simply Factors does not receive any commission, fee, discount or any benefit from any contractor or subcontractor subcontracted by us on behalf of the

co-owner.

10.0 TERMINATION OF AGREEMENT

10.1 In the event that homeowners wish to terminate the factoring agreement with Simply Factors, homeowners should refer to the Deed of Conditions for the development in order to establish the procedure to be followed. Where the Deeds are silent, homeowners should refer to the Tenements (Scotland) Act 2004.

10.2 A majority of homeowners or Simply Factors may be entitled to terminate the factoring agreement providing three months prior written notification including evidence of majority support, details of any vote taken and a signed mandate from those owners.

10.3 Once all invoices pertaining to the development have been received and processed (normally up to twelve weeks), a final invoice will be produced for each homeowner. Any float repayment due will be included as a credit assuming that all individual accounts have been cleared.

10.4 Any outstanding 'development' debt will be distributed, as a cost between all homeowners in the development. This cost will appear on the final invoice.

10.5 Simply Factors operate a seven day 'Cooling Off' period for any termination notice to ensure that the wishes of all proprietors are fully expressed and acknowledged by us.

11.0 CONTACT DETAILS

Simply Factors
17/17A Academy Street
Leith
Edinburgh
EH6 7EE
Tel: 0131 261 4771
Email: info@simplyfactors.com

Office Hours

Monday to Thursday from 9am to 5pm Friday 9am to 3pm

Out of Hours Emergencies

Should a homeowner require the services of an emergency contractor for common repairs out with our office hours, they should refer to our website where a list of contractors is available. Please be aware emergency calls will be subject to the contractors' out of hours rates.

Response Times

- Our telephones are constantly manned during office hours.
- In the event that all our operatives are all on calls, we aim to reply to all voicemails within 24 hours.
- We reply to all letters with 5 working days.
- We reply to all emails within 48 hours.