FACTORS DIRECT

WRITTEN STATEMENT OF SERVICES UNDER THE PROPERTY FACTORS (SCOTLAND) ACT 2011

Version 3 | Effective June 2026 | Next Review June 2027

Factors Direct Limited ("the Company") has responsibility for managing the communal parts of your property as your factor.

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1.0 Introduction

This Written Statement of Service is issued in compliance with the Property Factors (Scotland) Act 2011 – Code of Conduct for Property Factors and sets out the terms of service. This document supersedes any previous versions. This should be read in conjunction with your Title Deeds (and specifically any Deed(s) of Condition or Development Management Scheme registered or recorded against your development) to understand how we will manage your development. Our registered Property Factor No is PF001012. All reference to "we" and "us" means Factors Direct Limited and "you" and "your" means the Homeowner(s). Our Information Commissioner's Office (ICO) registration reference is ZB556515.

2.0 Authority to Act

We have been appointed to manage your development as factor in line with the Title Deeds for your property, and/or statutory legislation, including but not limited to the Tenements (Scotland) Act 2004. We do not offer legal advice as part of our core services and in the event of the need of such services, we will advise you of this and any additional cost will be passed on to you. Unless otherwise agreed in line with your Title Deeds, we will operate a standard delegated authority and financial thresholds laid out below. For developments with agreed budgets, the costs noted below apply only in the event of costs incurred outside of the agreed budget.

For works deemed as an emergency or urgent, we will carry out these works without seeking prior approval from you in advance since as your factor, we have a duty to make the development safe.

1. Works valued below £50 per share: we will proceed with works without any prior approval.

2. Works valued between £50 and £100 per share: we will seek approval from a majority of homeowners in the development.

3. Works valued greater than £100 per share: we will seek majority approval from the owners and reserve the right to gather 100% of the cost in advance of works starting.

4. Projects, or works valued over £5,000 overall: we will seek majority approval from the owners and reserve the right to gather 100% of the cost of the project in advance of work starting.

Should we need to seek your approval for works that are valued greater than our delegated authority, we will do so via our factoring software. If you don't have access to the factoring software, we will do so by letter and/or telephone.

3.0 Our Core Services

Our core services to our customers include the following:

- Organising and instructing repairs and maintenance relating to communal areas of your development.
- Appointment of contractors to carry out common repairs and maintenance to communal area of your development.
- Manage contracts of directly employed persons (concierge etc).
- Organising and instructing communal buildings, public liability and other relevant insurances in your development.
- Obtaining quotes for work that are not within our delegated authority.
- Attend AGMs or EGMs.
- Provide 24-hour emergency line.
- Issuing invoices to you for common charges.
- Preparation and reconciliation of budgets for agreed developments.
- Investigation and resolution of any complaints or unsatisfactory works.
- Providing you with online facilities to report repairs and communicate with your development and/or property manager.
- Provide direct debit and online payment facilities.
- Carry out credit control and debt recovery action against homeowners in line with our debt recovery procedure.
- Manage bank accounts for sinking funds, contingency funds and other client monies.

3.1 Additional Services

We may also carry out the additional services noted below. Please note, additional services may incur additional cost which you will be advised of before the service is provided.

- Attending out of hours meetings that are not AGMs or EGMs.
- Organising major works.
- Organising insurance claims.
- Processing change of ownership requests.

3.2 Services Not Included

We do not provide the services noted below:

- Internal repairs and maintenance to individual dwellings.
- Managing private disputes between homeowners.
- Managing disputes with third parties not instructed by us (for example, by local authorities).
- Providing legal or other professional advice.
- Funding repairs, maintenance, insurance or any other communal expense on behalf of debtors.
- Meter reading for utility suppliers.
- Raising new build warranty claims.

3.3 Service Level Agreement

Our target service standards are as follows:

- New jobs, comments on existing jobs and messages raised via the factoring software provided will be responded to within one working day.
- Emergency works will be attended to, and you will be updated via phone and the software platform, within one working day of the initial report.
- Urgent works will be attended to within two working days, and you will be updated via phone and the software platform in one working day of the initial report.
- We will acknowledge necessary works within one working day, and any appointment to attend will be confirmed via factoring software within two weeks of the initial report.
- We will acknowledge desirable works within one working day, and appointment to attend will be confirmed via factoring software within four weeks of the initial report.
- We will issue you an invoice and/or statement for common charges within the first week of each month.
- Informal complaints will be acknowledged within one working day and responded to within five working days unless agreed otherwise.
- Stage one formal complaints will be acknowledged within one working day and responded to within five working days unless agreed otherwise.
- Stage two complaints will be acknowledged within one working day and responded to within 20 working days unless agreed otherwise.

4.0 Fees and Charges

This section provides information on how the Company will instruct and charge for communal repairs and services. As a private homeowner within a factored property, you are responsible for paying a share of the costs of any common repairs, maintenance and services that are required or provided as part of the Company's factoring service. Included in this cost is a sum representing the management and administration of these services. The management fee will be communicated to you prior to services beginning. The exact share due in respect of your property is defined in your Title Deeds. You will find what you need to know about your rights and responsibilities as a Homeowner in a factored development in what is called the Burdens Section of the Title Sheet for your property. The Title Sheet is the formal legal document confirming that you are the legal owner of your property. The Title Sheet also sets out the rules covering the management, maintenance, insurance, repair and improvement of the shared or communal parts of your building or development. When you purchased your property, your solicitor should have discussed these rights and obligations including responsibility for repairs and any factoring or property management arrangements. Where the Title Deeds do not set out all or some of the above, they are regarded as silent on this matter, and the requirements will be determined in accordance with the Tenement Management Scheme under the Tenements (Scotland) Act 2004.

As a service provider to private property owners, we are entitled to charge a fee which represents our overheads (administrative, staff and software costs) in running and managing the service that we provide to you and your neighbours.
This fee is in addition to the actual costs of the repairs or maintenance works carried out to the common parts or communal areas. Additionally, the Company reserves the right to charge the Float. Our charges are reviewed annually and may increase in line with market rates and inflation. Property specific rates are detailed on your invoice.

5.0 Insurance

The Tenements (Scotland) Act 2004 mandates an obligation on the part of the owners to ensure that the building is adequately insured for reinstatement. The owners are also obligated to inform us of any changes to material facts. It is a common inclusion in property title conditions that a singular policy should be affected in the joint names of the coproprietors.
In such cases, we reserve the right to approach our approved panel of insurance brokers to instruct cover.
The adequacy of that cover must be ratified with an accompanying Reinstatement Cost Assessment.

5.1 Reinstatement Cost Assessment (RCA)

An RCA is an assessment carried out by a RICS qualified surveyor to quantify the cost of reinstating a building. The Factors Code of Conduct advises an RCA should be carried out every five years. If a current and legitimate RCA is not available from either the homeowners or the outgoing factor at the onboarding stage, we reserve the right to instruct an approved professional company to provide an up-to-date reinstatement value.

6.0 Debt Recovery Procedure

We operate the following process to recover debt. If you are unable to pay your invoices, free and impartial debt advice and solutions are available from Money Advice Scotland and Citizens Advice Scotland.

You will receive an invoice at the start of each month and if you do not pay by the due date, we will take the following steps to recover the debt, and any additional fees will be charged:

1. First reminder is issued giving a further 14 days to settle the invoice. Our credit control team may also call you during this time.

2. Second reminder is issued if the debt is not settled within 14 days of the first reminder. You will be charged a late payment fee of £15. You will be given a further seven days to settle before the final reminder is issued.

3. Should the invoice remain unpaid after the final reminder, the debt will be passed to a debt recovery agency. A debt referral fee of £150 ex VAT will be applied.

4. The debt recovery agency will engage the services of solicitors and sheriff officers to recover outstanding invoices. Any further letters issued either by hand or post will attract a fee of £50 ex VAT.

5. If the debt still can’t be recovered, we will initiate court action and another fee of £150 ex VAT will be applied and we will seek that all our legal fees are added to the outstanding balance.

6. At any stage of the process, we reserve the right to apply a Notice of Potential Liability to your title deed which incurs a fee of £250 ex VAT.

7. We reserve the right to reapportion debt to remaining homeowners jointly as per the stipulated shares. We will do so once we have exhausted the debt recovery process or when the debt reaches six months old (whichever is the earlier of the two). We will write to you should we need to reapportion debt within your development, and you will still retain the right to recover the debt directly from the homeowner(s).

8. We will reapportion any debt we recover to the affected homeowners.

7.0 How to Get in Touch

Our normal business hours are Monday to Thursday 09:00 to 17:00 and Friday 09:00 to 16:00.

Repairs, maintenance requests, general enquiries and complaints can all be logged online via our factoring software. You can log on through smartphones, tablets, laptops and desktop computers via our website www.factorsdirect.co.uk .

If you are having problems logging on or would prefer to speak to one of the team, you can call us on 0141 739 4439 during normal business hours.

In the event of an emergency out with normal business hours, we recommend that you call us on 0141 739 4439, select option 1 and one of the Factors Direct team will be available to help.

8.0 Complaints Procedure

The Company is committed to providing high-quality services and continually seeks to improve them. We aim to identify problems at source and resolve them quickly and efficiently.

You can make a complaint in the following ways:

1. Informal Complaint: Contact your Property Manager via the factoring software or by telephone during normal business hours.

2. Stage One Complaint: If your Property Manager is unable to resolve your complaint, you may submit a formal complaint via the factoring software or in writing to Factors Direct, 34 Gibson Street, Glasgow, G12 8NX. We will acknowledge your complaint within one working day and respond within five working days unless otherwise agreed.

3. Stage Two Complaint: If you remain dissatisfied, you may escalate your complaint via the factoring software or in writing to the same address. We will acknowledge your complaint within one working day and respond within 20 working days unless otherwise agreed.

4. Complex Complaints: If your complaint is complex or requires detailed investigation, we may treat it as a Stage Two complaint from the outset and will advise you when acknowledging your complaint.

5. First-tier Tribunal: If you remain dissatisfied after receiving our Stage Two response, you may apply to the First-tier Tribunal for Scotland (Housing and Property Chamber). Further information is available at https://www.housingandpropertychamber.scot.

9.0 Termination of Services

We will accept termination of services via the factoring software messaging function or in writing to Factors Direct, 34 Gibson Street, Glasgow, G12 8NX as long as you do so in line with your Title Deeds or the Title Conditions (Scotland) Act 2003 or the Tenements (Scotland) Act 2004 and with a minimum 90 days' notice. We will require written evidence that the process has been carried out correctly and on receipt of this, we will formally accept the termination and will issue closing accounts. If a communal insurance policy has been affected the notice period will be established from insurer and the outstanding costs invoiced directly to the owners. We reserve the right to terminate services with a minimum of 90 days' notice.

Early termination of services – In the event of termination of services being served to The Company within the first 90 days of appointment, we reserve the right to charge an additional fee of £50.00 + VAT per owner for early termination of services.
On termination, any debt will be reapportioned across the development and any client monies held will be offset against monies due.

The final invoice will be produced within 3 months of the termination notification. Any float or credit balance due will be included as a credit assuming that all individual debts have been cleared, unless specified in the Title Deeds and/or Deed of Conditions. Any outstanding development debt will be distributed, as a cost, between all owners in the development. This cost will appear on the final invoice. Any monies held in sinking funds will be used to offset development debt where required.

Where termination has been notified, Factors Direct will work with the incoming property factor / self-factor to assist with a smooth transition process, including the transfer of owner information and any other relevant development information (subject to data protection legislation) and letter of authority from the majority of owners confirming their instructions on the information they wish to be shared.

Factors Direct also reserve the right to terminate management services with immediate effect in the event that owners prevent the progress of work required to ensure the common areas of the building / development are compliant in respect of health and safety.

10.0 Declaration of Interest

We are required to disclose any financial or ownership interest which Factors Direct holds within your building or development. Factors Direct falls under the Cairn Group, linked with Cairn Estate and Letting Agency Ltd and Property MOT Ltd. There may be instances where we manage a property for let or sell a property within your building/development. The disclosure of any interest will be communicated to all the owners at the outset of the factoring arrangement and will be confirmed on your Development Schedule. Unless stated otherwise, Factors Direct has no interest to declare.

11.0 Appendix – Table of Fees

Fee	Description	Frequency	Amount (Ex VAT)
Management fee (flatted dwellings)	Monthly management charge.	Monthly	Confirmed on Development Schedule/Proposal
Management fee (grounds only)	Monthly management charge.	Monthly	Confirmed on Development Schedule/Proposal
Extraordinary Works fee	Administration of major works over £5,000 ex VAT.	Per project	10% of estimated net cost
Float	Deposit to provide cashflow.	On commencement	Confirmed on Development Schedule/Proposal
Paper invoice fee	Printing and postage of paper invoices.	Monthly	£3.00
In person out of hours meeting	Out-of-hours in-person meeting.	Per meeting	£75
Online out of hours meeting	Out-of-hours online meeting.	Per meeting	£40
Late payment fee	Applied to overdue invoices.	Per invoice	£15
Debt referral fee	Referral to external agency.	Per referral	£150
Letter before action	Issued by external agency.	Per letter	£50
Initiate court action	Court referral.	Per case	£150
Notice of Potential Liability	Placed on title deed.	Per notice	£250
Change of ownership	Sale information and reapportionment invoices.	Per sale	£100 (£150 if <7 days notice)

Version History

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Note: All fees listed are exclusive of VAT unless otherwise stated. VAT will be charged at the prevailing rate.