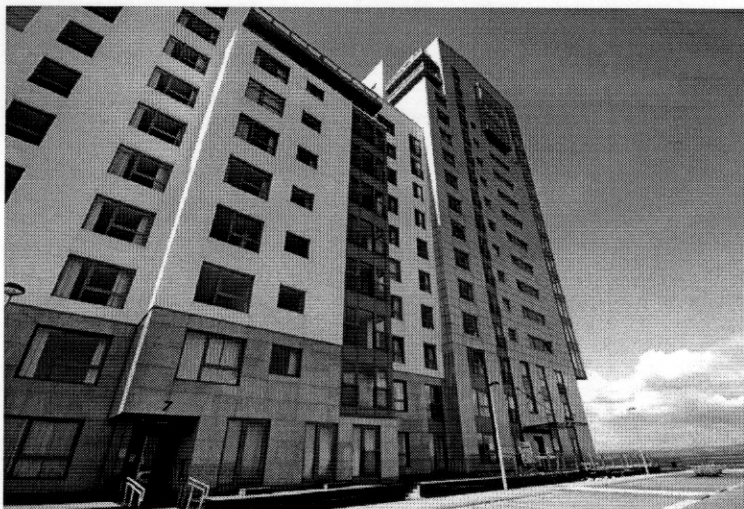


Written Statement of Services

For

The Element Factors Ltd

July 2015



It is the duty of registered Factors to provide each homeowner in managed developments with a written statement of services, setting out, in a simple and transparent way, the terms and service delivery standards of the arrangement in place between the factor and the homeowner.

This statement is written in accordance with the requirements of the Property Factors (Scotland) Act 2011 and its associated "Code of Conduct"

Registered Factor No: PF000590

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1. Introduction

This "Written Statement of Services" describes the service levels and arrangements that exist between The Element Factors Ltd and homeowners in its managed developments. The Statement has been produced in accordance with the requirements of the Property Factors (Scotland) Act 2011 and its associated code of conduct.

2. Authority to Act

The Element Factors were appointed to manage the communal areas of The Element, by a decision of the majority of homeowners. The appointment date effective from 15th July 2015 for an initial period of 12 months.

Our authority to act, with prior consent from the TENOA committee, includes the management of:

- Routine maintenance contractors
- On-going repair works
- Emergency repairs
- Utilities and utility bills
- Project work
- Block Insurance (where applicable)

For non-emergency repairs, the ultimate decision to authorise any work up to the value of £5000 (excluding vat) per property will be made by TENOA committee. Any works that are likely to exceed this cost will require the approval of the Homeowners' Association.

If an emergency repair is required, TENOA committee will authorise repairs, whatever the value, and advise the Homeowners' Association of the costs, when known.

The decision to treat a repair as an emergency will be made by TENOA committee based on the hazards present.

The Element Factors will only use approved and authorised contractors for any repair work and will always endeavour to obtain the best possible value for its customers.

Multiple quotations will be arranged, where appropriate.

3. Services Provided

The Element Factors will provide an extensive range of services for the communal areas in The Element.

The services provided cover the maintenance, management and repair of the following "communal" areas:

- Gardens, lawns, planting, trees, flowerbeds, borders and ornamental features.
- Parking areas, common garages, cycle racks and stores, bin stores
- Boundary walls, fences and hedges.
- Lifts.

- Gutters, downpipes, drains and sewers.
- Mains water supplies.
- Roofs and tiles.
- Common area balconies.
- Common area windows, doors, soffits and fascias.
- External fabric of the buildings.
- Common internal areas including entrance halls, corridors and stairs.
- Common lighting (internal and external)
- Security systems such as entry phones and videos, electric garage doors, entry barriers, bollards, fire alarms, fire fighting equipment, smoke detectors, stairwell vents and emergency lighting.
- Common TV aerials and telecoms networks.
- Asbestos management.

Private areas are those that belong to the homeowners' individual properties and are not included in our services. These include:

- All areas inside the home.
- Entry phone systems inside the home
- Private balconies
- Main doors
- Private windows and surrounds, mastic etc.
- Overflows
- Private vents and flues
- Private water / gas pipes etc. from the point of exit from communal supplies.

It is the homeowners' responsibility to ensure these areas are maintained in good order, particularly those which are visually accessible to the development.

4. Maintenance and Response Arrangements

Routine Maintenance

- Gardening services will be provided on a fortnightly basis between the months of April and October. Winter clean ups will be provided on a monthly basis between the months of November and March.
- Snow clearance will be provided, at an additional charge, as required.
- Cleaning services; entrance doors, stairs, etc will be provided on a weekly basis throughout the year.
- Roof inspections and gutter cleaning will be provided on an as required basis.
- Statutory inspections of lifts, emergency lighting, fire fighting equipment etc will be arranged by The Element Factoring, with consent from TENOA committee in accordance with the individual requirements.

Routine repairs

Requests for routine repairs can be made using the following communication methods:

- By telephone to the designated property manager on 0131 555 0666
- By letter to our office address
- By email to the property manager
- On our website at "Request a Repair"

Emergency Repairs

Requests for emergency repairs can be made by calling the office number (0131 555 0666). If the emergency situation arises during office hours, the homeowner should ask to speak to their property manager. If outwith office hours, calls should, again, be made to the office number where an automated service offering a number of options for emergency response is provided. The emergency out of hours contractors available, and provided in the options given, are:

- Plumber
- Electrician
- Locksmith
- Joiner
- Glazier
- Drain cleaning
- Roof Repairs.
- The Element Factors staff member. An option is available to speak directly with a member of staff outwith working hours. This option should be selected only if none of the other available options are suitable.

Please note that, if an emergency repair is required within a private area of the home, the invoice must be settled directly by the homeowner. Communal emergency repairs will be charged at the normal apportionments to all relevant homeowners.

Response Times

Routine repairs – An acknowledgement of a request for a routine repair will be made within 2 working days of the request. If the repair cost is considered to be less than £250, The Element Factors will arrange for the works to be instructed within seven days of the request. If, for any reason, instruction cannot be made within this time period, the homeowner or TENOA committee will be notified.

If the repair cost is considered to be in excess of £250, The Element Factors will provide quotations, for the repair, to TENOA committee, for their consideration, within fourteen working days of the request.

Emergency Repairs –The Element Factors Ltd will endeavour to ensure emergency repairs are performed within twenty four hours of notification, sooner if the situation demands a quicker response and if contractors are available. In some cases, it may only be possible to “make safe” a hazardous situation within this time scale depending on the nature of the emergency.

Alterations / enhancements – Any alterations or enhancements to a development or block should have the approval of the TENOA committee after a request is made to The Element Factors Ltd. This would include, but not be limited to:

- Tree removal
- Lighting sensors
- Service bell amendments
- No parking signs etc.

Once approved and requested, the response times for normal repairs will apply.

Major projects, painting schemes etc. – These will be planned between The Element Factors Ltd and the homeowners, normally at an AGM, in line with the requirements of the Deed of Conditions or Constitution.

Property Inspections

Routine property inspections will be made by the property manager on a weekly basis. Due to the onsite office the property manager will be able to react immediately to any issues and monitor on-going problems, repairs, major projects etc.

If the TENOA committee requires a formal thorough inspection of the development, for the purposes of preventative maintenance etc, this will be performed by the property manager on an annual basis. Other professional services may be required at such inspections, for example structural surveyors or roofing experts. The costs for such external services in excess of £5000 would be provided and agreed with the TENOA committee, prior to any visit.

5. Financial and Charging Arrangements

Management Fees

An annual factoring management fee of **£0.00** will apply to each homeowner in The Element development. This fee is correct at the date of publication of this Statement of Services and will be reviewed on an annual basis.

The fee is determined by the scope of services provided and the size of the development and may change if the scope is altered or costs increase.

Apportionment of costs

In addition to the management fees, all costs incurred in the on-going common works and services provided by The Element Factors in the maintenance of the development will be shared between homeowners. These include:

- Routine maintenance (e.g. gardening and cleaning)
- On-going repairs and maintenance costs.
- Utility Bills
- Block Insurance and Lift Insurance / Inspections
- Project work.

The split (or apportionment) of costs is normally determined by the Deed of Conditions. If there is no provision in the Deed of Conditions for some costs, the apportionments will be agreed between The Element Factors LTD and the TENOA committee.

Floating Funds

On appointment of The Element Factors to manage the development, a float is required from each homeowner on the date of entry to the property.

At the time of publication The Element Factors require no float.

The final invoice will be produced one full quarter after the leaving date. This allows for costs incurred by contractors but not charged to The Element Factoring until after the preparation of the quarterly invoice.

The full amount of the float will be repaid to the homeowner minus any outstanding costs on the account.

The float amount quoted here is correct at the date of publication of this Statement of Service, and may be subject to change, by agreement with the TENOA committee if costs increase significantly.

Repairs & Capital Fund

In order to financially plan for major projects, such as painting schemes, a repairs and capital fund can be arranged for the development by The Element Factors. Such funds are held in a separate account, managed by the TENOA committee in the name of the development.

Repair & Capital fund contributions are agreed with the TENOA committee and are charged to the homeowner as required.

An annual statement of the funds held in the development's Repairs & Capital fund account will be exhibited at the Annual General Meeting.

If a homeowner sells the property, the amount paid into the Repairs & Capital Fund is not returned. It should, however, be detailed as an asset in the sale of the property.

Where no Repairs & Capital Fund exists or a major project requires significant funds, beyond the level available in existing development accounts, payments for such projects must be made, in advance of commencement of works, to The Element Factors Ltd.

No works will be authorised until all funds are received in order to pay the contractor within fourteen days of receipt of invoices.

Common Charges (factors fees)

These are charges for proper and reasonable expense incurred from time to time in respect of the cleaning, repair, maintenance and renewal of the Flat Common Parts to ensure that each are upheld and maintained in a neat and tidy condition and in good order and repair.

Payment of the common charges in by monthly Standing Order.

All sums not paid shall bear interest at the rate of 4% above the Bank of Scotland base rate – see Deed of Conditions.

Client Bank Account

The Element 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.

The TENOA committee holds a separate bank account for the Repairs & Capital Fund and funds from this account may only be transferred to the Client Bank Account on the instructions of the TENOA committee.

Debt Recovery

A debt recovery process and related procedure are stringently applied to ensure that all means possible are employed to recover debt from late and defaulting payers. The procedure, in turn, includes letters from The Element Factors, then notification from an external debt management company and, ultimately, legal action.

Any costs incurred in the recovery of debt will be charged directly to the relevant homeowner.

If all available means to recover the debt have been exhausted without success, the outstanding amount will be distributed, as a cost, between the remaining homeowners in the development. This is in line with the Deed of Conditions.

Contractors' Invoices and Payments

The Element Factors settles all contractors' invoices within fourteen days of receipt (assuming there are no disputes).

6. Communication Arrangements

General Communications

Good communications between the factor and homeowner are the key to a successful relationship. For general enquiries, email is the best form of communication. Emails should be sent to the property manager. Should email not be suitable or available, homeowners can communicate by phone or letter. For general requests, The Element Factors staff will acknowledge receipt of a communication within two working days of receipt.

Complaints

The Element Factors operates a formal complaints handling procedure a copy of which can be made available on request.

On initial receipt of a complaint, acknowledgement of its receipt will be made by The Element Factors within 5 working days. Within eight weeks of receipt of the complaint the homeowner will receive a letter detailing the results of the internal investigation or, if the investigation is incomplete after eight weeks, a letter explaining why a final response is not yet available will be sent to the homeowner. This letter will also advise a likely resolution date.

Should a homeowner have reason to complain about any aspect of the service package delivered to them, they should do so in writing (or email) to the property manager, or if the complaint is about the property manager, to the TENOA committee chairman. If the complaint is not satisfactorily resolved by the property manager, it will be passed to the TENOA committee chairman.

If, after discussions with the TENOA committee chairman, the homeowner considers the complaint to remain un-resolved, the Property Factors (Scotland) Act 2011 allows homeowners to make an application to the Scottish Government's Homeowner Housing Panel for a determination of whether the property manager has failed to carry out their factoring duties, or failed to comply with the Code of Conduct.

To take a complaint to the Homeowner Housing Panel, homeowners must first notify their property manager in writing of the reasons why they consider that he has failed to carry out his duties, or failed to comply with the Code of Conduct. The property manager must also have refused to resolve the homeowner's concerns, or have unreasonably delayed attempting to resolve them.

At the request of the homeowner, and if all attempts to resolve the complaint have failed, The Element Factors will provide contact details for the Homeowner Housing Panel to whom the complaint can be passed.

In dealing with complaints, The Element Factors Ltd staff will, at all times, display a polite and professional approach with the homeowner. Similarly, homeowners who have a complaint must also display professional conduct at all times. Verbal (or other forms of) abuse of staff will not be tolerated.

7. Building insurance / Lift Insurance Inspection

The cost of building insurance is included in the common charges (factors fees). The Element Factors Ltd earn no commission on these fees. TENOA committee will help The Element Factors Ltd to secure the most comprehensive and cost effective insurance to meet the developments needs. Contents insurance is the responsibility of each owner.

8. Termination of contract

The contract between both parties is contained in the Tender document dated 1 May 2015, the Service Level Agreement dated July 2015.

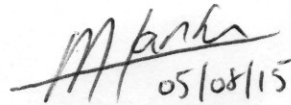
Either party may terminate this contract by giving a minimum of two months notice.

Signed:

Date:

Name:

On behalf of: The Element Factors Ltd


05/08/15

Matt Hansen

Signed:

Date:

Name:

Position:

On behalf of: TENOA committee



05/08/15

ALAN HENDERSON

CHAIRMAN