

QUESTIONNAIRE

QUALITY IN COMMON: RESIDENTIAL PROPERTY MANAGERS AND LAND MAINTENANCE COMPANIES IN SCOTLAND CORE STANDARDS FOR A VOLUNTARY ACCREDITATION SCHEME – DRAFT FOR CONSULTATION

Section 1 – Property management services

Question 1: Does Section 1 cover the key information that customers should receive from their property manager? Are any important elements missing?

No mention within the Fees & Remuneration of any commissions received e.g. on placing insurance or placing contracts for works. These should be explicitly notified to customers and agreed as part of the service contract and remuneration (see 5.5).

Section 2 – Communication and consultation

Question 2: Does Section 2 cover the key matters relating to communications between the property manager and customer? Are any important elements missing?

Has sufficient thought been given to whether 2.5 should explicitly include consulting with customers before instructing 3rd party contractors to provide services or undertake major works which will incur significant charges?

This should be linked to 1.1b and customers should be provided, in advance, with copies of costed planned maintenance programmes.

If this is not expected then customers in Scotland have an imbalance of rights to those in England & Wales - by virtue of Section 20 Landlord & Tenant Act 1985 (although we are not suggesting the same highly bureaucratic procedures should be adopted).

Question 3: On Standard 2.1 – we would welcome views on current best practice for response times for general communications between property manager and client.

Section 3 – Financial obligations

Question 4: Does Section 3 cover the key points in the financial relationship between property managers and their customers?

3.1 does not make it clear that funds belonging to any one group of customers should be held in trust separately identifiable from funds held by another group of customers.

It does not make it clear that funds belonging to one group of customers must never be used to finance works on behalf of another group of customers.

i.e. no specific mention that pooling of customers monies into one client account is not acceptable.

Section 4 – Debt Recovery

Question 5: Does Section 4 cover the key matters arising in situations where an owner has not paid his or her share of the costs?

Section 5 – Insurance

Question 6: Does Section 5 cover the key points in situations where insurance is arranged by the property manager?

5.5 Any Insurance Commissions received and retained by the Property Manager should be explicitly included within the fees and charges section of the statement of services (Section 1).

No insurance commissions should be retained unless referred to in the statement of services. Any commissions received should be used to reduce

the premium payable by customers.

We would recommend this section follows the guidance produced by the RICS following the report of their working group into “Transparency in Professional Fees”

Section 6 – Contractors and repairs

Question 7: Does Section 6 cover the key points relating to contractors and repairs? Are any important elements missing?

6.3 Contractors should supply a “Health & Safety Method Statement” and Property Managers should always ensure that contractors have demonstrated they will undertake works in a safe manner.

6.4 Should this section be more specific in terms of requiring property managers to obtain competitive tenders for major items of expenditure, advise customers in advance, demonstrate value for money in advance and seek observations from customers? I.e. incorporate the good points of legislation applicable to England & Wales within Section 20 Landlord & Tenant Act 1985

6.6 & 6.7 (see 5.5 above) any commissions or other financial incentives should be included within fees and charges section of the statement of services (Section 1) and we would recommend this section follows the guidance produced by the RICS following the report of their working group into “Transparency in Professional Fees”

Section 7 – Complaints resolution

Question 8: Does Section 7 cover the key aspects of complaints handling?

Question 9: On Standard 7.3 – we would welcome your views on the timescales for responding to complaints.

Section 8 – Staff training

Question 10: Does Section 8 cover the key information relating to staff training? Are any important elements missing?

No mention of Qualifications, membership of recognised professional bodies or ongoing Compulsory Professional Development.

An accreditation scheme should require property managers to be members of a recognised profession body or to commit to:

- a) obtaining recognised professional qualifications and membership of recognised professional bodies.**
- b) assisting their staff to obtain recognised qualifications and membership of recognised professional bodies.**
- c) Commitment to fulfilling Compulsory Profession Development criteria of recognised professional bodies or if not a member of such a body fulfilling the relevant criteria voluntarily and regularly.**

The degree to which property managers are (or employ staff who are) members of a recognised professional body and / or hold recognised professional qualifications should form part of the statement of services detailed in Section 1.

As the only professional body offering professional qualifications in the management of (common) residential property we are surprised that we were not invited to be involved in drafting the standards and are even more surprised to note that the standards make no reference to recognised qualifications or membership of recognised professional bodies. We hope the Business Support Team will note the success that we have achieved during the last 8 years in terms of:

- Producing learning material for Property Managers in Scotland**
- Offering independent qualifications to property managers and**
- A route into membership of a recognised professional body.**

We currently have more than 70 qualified property managers in Scotland who are members of our Institute and an increasing number of Affiliate Members who are in the process of studying and obtaining qualifications. We have approximately 1750 members across Britain and our qualifications and membership requirements are common across England, Wales and Scotland. We believe this uniformity across borders is very important and recommend this is incorporated within the standards.

Whilst we do not expect the Core Standards of an Accreditation Scheme to require membership of our Institution at the expense of all other institutions, we would expect membership to reflect the benefits of employing qualified staff who have demonstrated knowledge and competence to an independent body and a requirement towards ongoing compulsory professional development.

Additional questions

Question 11: What should the implications be for property managers who breach the standards?

Question 12: Do you have any other suggestions for raising standards in the property management industry?

See Answer to Question 10 – Property Managers should be encouraged to obtain recognised professional qualifications and membership of recognised professional bodies. Qualified Property Managers should be recognised as such and non-qualified property managers should be expected to demonstrate a commitment towards becoming qualified and fulfilling ongoing compulsory professional development.

Question 13: When we prepare the equalities impact assessment, are there any particular issues we need to consider in relation to:

- Age
- Disability
- Gender
- Lesbian, Gay, Bisexual and Transgender
- Race
- Religion and Belief?

Question 14: Do you have specific views on who might act as the host body for the accreditation scheme?

No