

EQUALITY IMPACT ASSESSMENT - RESULTS

Title of Policy	The Property Factors (Registration) (Scotland) Amendment Regulations 2015
Summary of aims and desired outcomes of Policy	<p>The aim of the Regulations is to increase the level of fees for applications for entry to the property factor register to a reasonable level in order to reduce the burden on the public purse.</p> <p>The desired outcomes are that the property factor register continues to be an effective part of the regime established under the Property Factors (Scotland) Act 2011 setting minimum standards for the industry and providing protections for homeowners.</p>
Directorate: Division: team	Housing, Regeneration and Welfare: Better Homes: Housing Services Policy Unit.

Executive summary

The Regulations will increase fees payable by property factors for applications for entry to the property factor register. It directly affects property management businesses but may affect people if the cost is passed on to homeowners. This potential impact was considered but given the modest nature of any potential increase the Scottish Government does not expect the Regulations to have a negative impact on equality groups.

Background

The Property Factors (Scotland) Act 2011 sets minimum standards for the property management industry and provides protections for homeowners who use the services of a property factor. As part of the regime established under the Act Scottish Ministers maintain the register of property factors.

Fees are charged for entry to the register and these contribute to the costs of maintaining the register, including the “fit and proper person test”. The aim of the Regulations is to increase level of fee to a reasonable level, more accurately representing the costs of maintaining the register and reducing the burden on the public purse.

This forms part of the Scottish Government’s work on improving standards and quality within private sector housing and contributes to the national outcomes “We live in well-designed, sustainable places where we are able to access the amenities and services we need” and “We value and enjoy our built and natural environment and protect it and enhance it for future generations”.

The Scope of the EQIA

The EQIA was carried out with input from housing policy officials and took into account relevant information obtained from the property factor register . The EQIA also took into account relevant research, including the Scottish Housing Survey 2012. The framing exercise identified that an increasing proportion of older people live in owner occupied housing.

Key Findings

The Scottish Government does not expect that the Regulations will have a negative impact on equality groups. The Regulations will primarily and directly affect businesses (property factors) who are liable to pay the fee for application for registration. The aim is for the fee to represent a fair balance between the contribution from the industry and the public purse to costs of running the register.

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In considering the amount of the fee the Scottish Government also considered the impact on homeowners, particularly those on low or fixed incomes, if property factors pass this cost on to them.

The proposed increases in fees are modest, £33 per annum for property factors with a portfolio of 100 or fewer properties and £127 per annum for those who manage more than 100 properties. A proportionately higher amount might be payable by a homeowner in the negligible number of cases where the lower fee is split between a small number of homeowners, resulting in an annual payment of £33. However, the average annual cost including the increase is estimated at £2.59 per homeowner. The Scottish Government does not consider that this level of fee raises issues of affordability among any group.

Recommendations and Conclusion

The EQIA process has provided reassurance that the Regulations do not negatively impact on any particular equalities group. In fact, an appropriately funded registration regime will continue to ensure that standards are maintained in the property factor industry and that protections are provided to homeowners benefitting all of those who use the services of a property factor.