



Under One Roof

Impartial advice on repairs and maintenance for flat owners in Scotland

Financing repairs

Financing repairs

1. Saving for repairs
2. Getting loans
3. Are there still grants?
4. Other financial help
5. Keeping accounts

1

Save for repairs

IF YOU ARE NOT ALREADY SAVING
FOR REPAIRS, START NOW

How much to save?

- Get a maintenance plan prepared. This will tell you what condition your building is in and how much you will need to spend over the next few years.
- Otherwise, try and save maybe £10 - £20 per week depending on the age of your building and when major repairs were last carried out.

Save together

- Set up a Building Maintenance Account under control of an elected Owners Association
- With your factor (they must keep a separate client account)
- Consider setting up a Building Reserve Fund where savings are passed on to incoming owners (needs change to Title Deeds)

Financial planning

- Regular savings
- Tenement Account
- Building Reserve Fund

Where to save – individual accounts

- Consider saving with a credit union as it will help you get a loan from them if your savings aren't enough
- Open a separate interest bearing savings account with a bank.

2

Getting loans

Why get a loan?

- The cost of repairs can increase faster than the interest you pay on a loan
- Your repairs are probably getting worse and leading to further damage
- Cheaper patch repairs are seldom value for money - “buy cheap, buy twice!”

**ALWAYS TAKE FINANCIAL ADVICE –
START WITH LOCAL FREE ADVICE
CENTRES**

Where to get a loan

- In order of general preference:
 - extend your mortgage
 - another type of secured loan
 - personal loan from a bank, building society or credit union
 - equity release loan for older people (MUST take financial advice before taking one of these loans)

3

Are there still grants?

Grants

- Very few grants are now available
- Your Council may prioritise any grants to certain areas, those with special needs only or to “Missing Shares” for owners who really can’t pay their share of common repairs
- Your local Care and Repair service may be able to advise older people or those with disabilities

On Benefits?

- Ask your local council about a Crisis Grant from the [Scottish Welfare Fund](#).

4

Keeping Accounts

Building Maintenance Account

- Good for speeding repairs process
- Set up by owners association
- Treasurers Account at bank
- Requires two signatures to withdraw funds
- Goes with the owner
- If they sell, they can get their money back

Building reserve fund

- Good for maintenance planning
- Helps spread the burden between generations of owners
- Funds “go with the flat”
- Written into title deeds
- Compulsory in Ireland!

More information from [UnderOneRoof.scot](https://www.UnderOneRoof.scot)

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