

Whitehouse Park, Milton Keynes

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What is a Management Company and why is it required?

A Management Company called Whitehouse Park, Management Ltd has been set up for your development to manage private lighting in courtyards and on private drives where applicable. In addition, the Management Company will manage some leasehold buildings, including the maisonettes, apartments and coach houses, where ownership of some areas is not transferred to the residents directly. You will be responsible for the maintenance of your home and any land conveyed to you. The Management Company will maintain the private lighting columns and the areas around the maisonettes and apartments. These are communal areas or amenities for the benefit of some residents and therefore must be held in a separate entity.

Which parts of the development are covered by the Management Company?

The development known as Bovis Homes at Whitehouse Park is situated in Milton Keynes and comprises of houses, apartments, maisonettes and coach houses.

The Management Company will manage and maintain the private lighting on driveways and in courtyards but not the drive or courtyard itself, this is deeded to the vendors as shown on the conveyance plan.

If you are purchasing an apartment or maisonette the structure of your building will be in the Management Company to manage, maintain and insure. The apartments have communal parts of the building, for example, the foundations, roof, stairwell, service risers, bin store etc which will be the managed by the Management Company.

What is the role of the Managing Agent?

The Managing Agent is an external company, appointed by the developer, to maintain the private lighting columns and leasehold buildings once they have been handed over to the Management Company.

Their role is to assist the residents that are members of The Management Company by maintaining the lighting columns and the communal areas of the apartments to a good standard and ensuring that the administration of the Management Company is professionally handled. This ensures that the residents don't have to worry about getting areas insured, getting accounts and audits done for the Management Company, or appointing cleaners to maintain stairwells and other internal communal areas.

Whilst initially appointed by the developer, before any homes are handed over, the Managing Agent is employed by the Management Company and therefore by the residents. The residents can challenge the Managing Agent on their performance and on the service charge and, if necessary, replace them with a different Managing Agent following a notice period.

What is a service charge and how is it calculated?

When you legally complete, you will become a member of the Management Company and you will agree to pay an annual service charge for the maintenance of the private lighting if applicable or a buildings charge for a leasehold property on the development.

The service charge is paid to the Managing Agent so that they can then pay for all the costs which they incur in managing the private lighting or building on your development. The amount you pay is your share of the total cost, based on the Managing Agents estimate of what they will spend, given their experience of other similar developments.

Full budget details are available in the sales centre for each property.

SERVICE CHARGE ESTIMATE 2024

	Cost Estimate
Service charge for Apartments	£1,768
Service charge for Maisonettes	£925
Private lighting charge for applicable properties on phase J,K and L	£150
Private lighting charge for applicable properties on phase DP6	£180

Your service charge is likely to increase, year on year, because prices of labour and materials are likely to rise in line with inflation. The Managing Agent will keep you informed of any increases each year and provide an explanation of why the increase is necessary.

Typically, what do the elements of the service charge cover?

- a) **Electricity and private lighting to courtyards and driveways**
- b) **Cleaning of apartment communal areas** – the internal areas of the apartment block will be cleaned every week.
- c) **Maintenance of apartment communal areas** – all the communal areas will be maintained to ensure they are safe, lit, and presentable, as required. There will be an inspection every month to ensure that everything is in good working order.
- d) **Sinking fund** – whilst the equipment around the communal areas is carefully maintained, sometimes there is a requirement to replace items. A fund is built up to pay for these items when such occasions require.
- e) **Public liability insurance** – whilst residents will take out insurance on their homes which they own, there is a need to have insurance for the communal areas and for the Management Company itself.
- f) **Accountancy, legal and company secretarial fees** – because the Management Company is a Limited Company, which provides a level of legal protection for the residents, the Company has to have proper accounts prepared and audited and has to register with Companies House. This will all be arranged by the Managing Agent.
- g) **Health & safety requirements** – this is an important element of running the communal areas with the need for periodic risk assessments, advice and action taken to ensure that everything is kept in a safe condition for everyone who wants to use those areas. This will include fire risk assessments for apartments.
- h) **Managing agent management fee** – this is the fee charged by the Managing Agent to act on behalf of the residents in managing the communal areas. All of the items above will need to be arranged and managed, with contractors appointed for maintenance and repair, insurance arranged, and accountants and solicitors appointed.

How and when is the service charge levied?

When you legally complete on your home and sign up to your rights and obligations relating to the Management Company, an amount of Service Charge will be payable to cover the first 12 months, between your completion and the end of the service charge period.

The Managing Agent will then send you an annual service charge invoice every year. If you recently legally completed and therefore have just paid an amount on completion, this will be credited against the invoiced amount. You will only pay your share of the Service Charge for the period which you have been in ownership of your home.

Who maintains the communal areas from the start?

Vistry is responsible for creating and building any communal areas. With apartments, the communal areas form part of the building which is being constructed by Vistry.

For a period of time, Vistry will maintain the communal areas, once they are complete they will be handed over to the Managing Agent for maintenance. This will vary from site to site; on some developments everything will be handed over at the end, on others there will be a phased handover over the course of the development.

What happens when the development is finished?

When the developer has completed all of the common areas or shared facilities the communal areas will be fully handed over to the Management Company. Those areas must be properly completed and be in good condition. Handover will take place when the Managing Agent is happy to take the communal areas or shared facilities on.

Up to this point, the Directors of the developer will have been acting as Directors of the Management Company, acting on behalf of the residents. When everything is complete, the developer will look for residents who are willing to take on the role as Directors of the Management Company.

Until the resident officers are in place, the developer may ask the Managing Agent to stand in as officer of the Management Company. However, control of the Management Company remains in the hands of the residents as members. The Managing Agent will support the residents in the running of the Management Company, but the residents always have the right to do things differently if they choose to.

Who should I contact with any queries?

First Port 154 Great Charles Street, Birmingham B3 3HN

Telephone 0345 319 2156