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## What is a Management Company and why is it required?

A Management Company RMG has been set up for your development to manage areas of the development and some parts of its buildings, where ownership of those areas is not transferred to the residents directly. You will be responsible for the maintenance of your home and any land conveyed to you, whilst the Management Company will maintain any areas which are not conveyed to any purchaser. These are communal areas for the benefit of residents and therefore have to be held in a separate entity.

During the initial set up and construction of the development, Linden/Bovis/Countryside provide the directors of the Management Company. This is common practice as it provides time for the communal areas to be completed and Linden/Bovis/Countryside are responsible for making sure that happens. Once the communal areas are ready, Linden/Bovis/Countryside will hand control of them over to the Management Company and when the development is complete, residents will take over as directors of the Management Company.

The Managing Agent (see below) will continue to support the residents in the running of the Management Company so that communal areas are maintained after Linden/Bovis/Countryside have left the development.

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

The development known as Stoneleigh View, Kenilworth is comprised of residential development and open space areas within the Bovis Homes phase together with equipped areas of play, suds features, footway and cycleway networks in the wider development.

The areas which are planned to fall to the Management Company to manage and maintain are highlighted on the plan below, which includes the insurance, management, and maintenance of newly landscaped public open space areas in the Bovis Homes areas together with equipped areas of play, footpaths/cycleways and SUDs features in the wider site.

The plan included below, also details the development, including its boundaries which are detailed with red lines.

Refer to site specific Landscape & Ecological Management Plan for the maintenance of all the areas that will be transferred to the management company.

Soft landscape proposals POS 1 of 4	LA4858 111 rev F
Soft landscape proposals POS 2 of 4	LA4858 112 rev E
Soft landscape proposals POS 3 of 4	LA4858 113 rev H
Soft landscape proposals POS 4 of 4	LA4858 114 rev H
LEAP GENERAL ARRANGEMENT	LA4858 115 rev D
NEAP GENERAL ARRANGEMENT	LA4858 116 rev E

## What is the role of the Managing Agent?

The Managing Agent is an external company, appointed by the developer, to maintain the communal areas of the development/buildings once they have been handed over to the Management Company.

Their role is to assist the residents of the development in building their community, by maintaining the communal areas 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, appointing landscapers to care for public open space and play areas 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.

## 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 communal areas 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 estate and buildings 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.

Below is a schedule of the items which the Managing Agent will maintain on behalf of the Management Company, together with their estimate of the likely cost for the coming year.

**See brochure attached for cost breakdown**

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) **Landscape and Play Area Maintenance** – this includes regular visits to the site to mow grass, keep down weeds, maintain trees and plants and make sure that the play equipment is safe, carrying out any maintenance as required. The visits are more frequent in the spring and summer, usually every two weeks and generally monthly in the Autumn and Winter.
- b) **Waste and Dog Bin emptying and Maintenance** – the bins around the communal areas are emptied and disposed of every two weeks.
- c) **Benches and other Street Furniture** - there are a number of benches, seats, fences, etc which require maintaining to ensure that they do not get into disrepair
- d) **Electricity and Lighting to Communal Spaces** – some of the pathways have lighting which require power and maintenance, which will be covered in the charge.
- e) **Cleaning of apartment communal areas ( where applicable )**– the internal areas of the apartment block will be cleaned every week and the external bin and cycle store every month.
- f) **Maintenance of apartment communal areas ( where applicable )** – all the communal areas will be maintained to ensure they are safe, warm, lit, and presentable, as required. There will be an inspection every month to ensure that everything is in good working order.
- g) **Sinking Fund** – whilst the equipment around the communal areas is carefully maintained, sometimes there is a requirement to replace items. This would be particularly relevant to play equipment which becomes unsafe. A fund is built up to pay for these items when such occasions require.
- h) **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.
- i) **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.
- j) **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.
- k) **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 taken, in order to cover the first [ no. ] months, between your completion and the end of the service charge period.

The Managing Agent will then send you an annual service charge invoice, in [month] of 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.

The Managing Agent will provide you with details of how to pay when they send the invoice as there are options to spread the payment by Direct Debit, if you need to.

## 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 everything and only when the communal areas are complete, can they 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.

When Vistry are maintaining the communal areas, the residents will not be charged for the maintenance of the communal areas. However, a service charge may still be levied as there are administration costs incurred by the Managing Agent in order to ensure that insurance is in place and accounts and audits are carried out. This may be covered by the service charge collected on completion (see 6. Above) but if it continues for a long period you may be asked to pay a further service charge.

## What happens when the development is finished?

When the developer has completed all the homes and all of the environment around the homes, the communal areas will be fully handed over to the Management Company. Those areas must be properly completed and be in good condition, otherwise the Managing Agent, acting on behalf of the residents will refuse handover. Handover will only take place when the Managing Agent is happy to take those communal areas 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?

The details of the contacts at the Managing Agent are as follows:

<https://www.rmguuk.com/>

**0345 002 4444**

# Stoneleigh View

RMG understands that purchasing a property is one of life's most important decisions and one of the biggest investments we will make in our lives. Our role as your Managing Agent is to ensure that the experience of being part of a Managed Development is as enjoyable and hassle-free as possible and to assist in maintaining your investments' value.

Although we are a national company, we provide a local service by operating through our local offices up and down the country and by assigning local property managers to our developments. This allows for the personal touches that can sometimes be lacking in the property management industry, to be delivered and maintained.

## Why do I have to pay a Service Charge?

The service charge is paid to cover the cost of the expenditure for maintaining the communal areas of Stoneleigh View.

Upon purchasing your property, a Transfer document (TP1) will be signed. This TP1 details the "rules and regulations" of the development, one of which is that the homeowner will pay a service charge to contribute towards the costs for the services that are required for Stoneleigh View.

## How do RMG set the Service Charge?

RMG have reviewed the services that are required to be delivered to Stoneleigh View and obtained potential costs for the provision of the facilities that are required. These costs have then been collated into a Service Charge Budget which is the estimation of the year's likely expenditure and in turn, will be the initial Service Charges that will be invoiced.

After the initial year of invoicing has passed, RMG will be able to review that years' expenditure to create the following years' Service Charge budget by looking at the previous and the future years' anticipated expenditure.

## How much Service Charge will I have to pay?

The likely initial annual service charge invoice for Stoneleigh View will be **£208.51**

The service charge budget will be reviewed on an annual basis and RMG will endeavour to keep the service charges as low as possible.



## What does the Service Charge include?

### Contract Maintenance

- Grounds & SuDs Maintenance
- Tree Survey

### Insurance

- Public Liability insurance

### Other

- Health & Safety Inspection

### General Repairs/Maintenance

- Minor & Electrical repairs

### Play Area Maintenance

- Play Area Inspections
- Play Area Maintenance

### Administrative

- Management Fees
- Accountancy & Certification
- Company Secretary Fees
- Sundries

### Reserves

- Reserve Fund

As the appointed Managing Agent, our duties on behalf Stoneleigh View, include, but are not limited to;

- Being available 24 hours a day, 7 days a week to assist homeowners in any property management issues they may have.
- Engaging and communicating with the residents and the community.
- Maintaining the communal areas of Stoneleigh View to the highest standard.
- Arranging for any repairs required to the communal areas to be completed as quickly and efficiently as possible.
- Placing and maintaining insurance policies to safeguard the residents of Stoneleigh View.
- Ensuring Stoneleigh View communal areas are compliant with Health and Safety regulations.



### Contacting RMG

RMG are always happy to help regarding any queries that you have relating to Stoneleigh View, whether you have a maintenance issue, have a query with your Service Charge invoice or just a general query regarding the development. We can be contacted via a number of methods which are detailed below:



Phone: 0345 002 4444



Fax: 0345 002 4455



Email: [customerservice@rmguk.com](mailto:customerservice@rmguk.com)



Website: [www.rmg ltd.co.uk](http://www.rmg ltd.co.uk)



Online Chat: [www.rmg ltd.co.uk](http://www.rmg ltd.co.uk) Please visit the web addresses and click the 'Chat Now' button



Post (Head Office): Residential Management Group, RMG House, Essex Road, Hoddesdon, Herts, EN11 0DR

*Although our services will be provided through our local office, any correspondence should be sent through to our head office to allow it to be processed as quickly and efficiently as possible*

Vistry Group

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