



VISTRY GROUP

Information Guide: Managing Agent Process

Contents

Page 2: What is a Management Company and why is it required?

Page 2: Which parts of the development are covered by the Management Company?

Page 3: What is the role of the Managing Agent?

Page 3: What is a service charge and how is it calculated?

Page 5: What do the elements of the service charge cover?

Page 6: How and when is the service charge levied?

Page 6: Who maintains the communal areas from the start?

Page 6: What happens when the development is finished?

Page 7: Who should I contact with any queries?

What is a Management Company and why is it required?

A Management Company called FirstPort Property Services No.4 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 some or all residents and therefore have to be held in a separate entity.

During the initial set up and construction of the development, Vistry provide the directors of the Management Company. This is common practice as it provides time for the communal areas to be completed and Vistry are responsible for making sure that happens. Once the communal areas are ready, Vistry 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 Vistry have left the development.

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

The areas which are planned to fall to the Management Company to manage and maintain are highlighted indicatively on the plan enclosed, which includes the insurance, management, and maintenance of the Public Open Spaces (POS), play equipment and footpaths. The plan included below, also details the development as a whole, including the extent of the managed areas which are shown as shaded.



NORTH POINT

KEY:

- PHASE BOUNDARY
- AREA MANAGED BY MANAGEMENT COMPANY
- EASEMENT

PHASE 3A

CHILDREN'S PLAY AREA (LEAP STANDARD)
FOR DETAILS SEE SEPARATE DRAWING (BY OTHERS)

Phase 1

APPROX. POSITION OF PUMP COMPOUND.
Planting adjacent to Pumping Station compound to comply with Yorkshire Water specification

| REV | DATE | CC BY | FIRST ISSUE | DESCRIPTION |
|----------|------|-------|-------------|-------------|
| 25.03.20 | | | | |

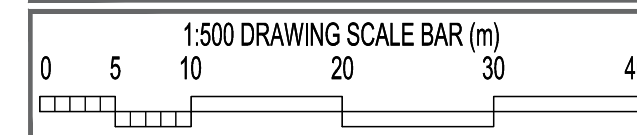
Pure Offices, 4100 Park Approach, Thorpe Park, Leeds, LS15 9GB
T:0195329925 E:info@artreum.co.uk www.artreum.co.uk

CLIENT: VISTRY HOMES

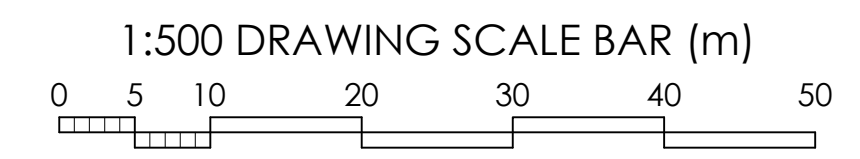
PROJECT: WILBERFORCE PARK

TITLE: MANAGEMENT COMPANY PLAN

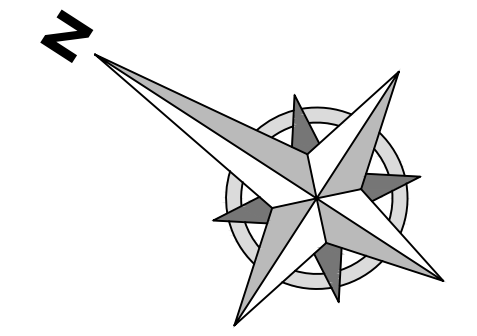
SCALE @ A1: 1:500 DWG No: 1010-02-01-17 REV: .



© COPYRIGHT DATES ON THE DESIGN AND INFORMATION SHOWN ON THIS DRAWING
DO NOT SCALE FROM DRAWING * ALL DIMENSIONS TO BE VERIFIED ON SITE PRIOR TO COMMENCING ANY WORK.



- KEY**
- Phase Boundary
 - Easement/wayleave
 - Internal common area managed by the estate
 - Visitor parking bay maintained by Man Co.



- REVISION**
- E 28.02.23 Drawing amended to match Technical Layout revision J.
 - D 07.09.22 Drawing amended to match Technical Layout revision H.
 - C 14.04.21 Drawing amended to match Technical Layout revision E. Redlines of plots 300, 306, 314, 319, 325, 333, 334, 344, 345, 346 & 384 changed to give land to Man Co.
 - B 08.02.21 Drawing amended to match Estate Plan revision B.
 - A 08.02.21 Drawing amended to match Technical Layout revision C.
 - * 10.09.20 First issue.

PHASE 2 - MANAGEMENT COMPANY PLAN

PROJECT:
RESIDENTIAL DEVELOPMENT

PROJECT ADDRESS:
BECKFIELDS, WILBERFORCE PARK,
POCKLINGTON

CLIENT:
VISTRY GROUP

| DRAWN | SCALE (A1) | DATE |
|-------------|--------------|------------|
| MB | 1:500 | SEPT. 2020 |
| JOB NO. | DWG. NO. | REVISION |
| 2307 | EP 02 | E |

Chris Gothard
Architectural Ltd.

queens lower lodge
77-79 east bank road
sheffield S2 3PX
T: 0114 2750263
M: 07443 596098
E: info.cga@btconnect.com

Company No. 9118738

Bovis Homes **Linden HOMES**

Part of the Vistry Group

Suite 2/3 Ground Floor, 1175 Thorpe Park, Century Way,
Leeds, LS15 8ZB

© COPYRIGHT EXISTS ON THE DESIGNS AND INFORMATION SHOWN ON THIS DRAWING. • DO NOT SCALE FROM DRAWING ALL DIMENSIONS TO BE VERIFIED ON SITE PRIOR TO COMMENCING ANY WORK

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 if necessary.

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.

Attached 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.

Estimated Service Charge per Household per year
£157.93

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.

Wilberforce Manor - Phase 3A & 3B
Detailed Schedule Budget



| | Total | Phase 3A |
|---|------------------|-----------------|
| SCHEDULE 1 - S1 ESTATE COSTS | 287 units | 55 Units |
| 1300 - Insurance | | |
| Public Liability Inc Material Damage of upto £250,000 | £988 | £721 |
| Subtotal | £988 | £721 |
| 1380 - Grounds Maintenance | | |
| Ground Maintenance Contract to inc: | £14,218 | £1,800 |
| Subtotal | £14,218 | £1,800 |
| 1470 - General Maintenance | | |
| General Repairs & Sundries | £2,800 | £1,000 |
| Subtotal | £2,800 | £1,000 |
| 1501 - Play Area Facilities | | |
| 2 x LEAP Ad-hoc Repairs | £240 | £0 |
| Annual ROSPA Inspections | £400 | £0 |
| Subtotal | £640 | £0 |
| 1800 - Management Fees | | |
| Management Fee (£63 per unit + VAT) | £21,697 | £4,158 |
| Subtotal | £21,697 | £4,158 |
| 1810 - Accounts Preparation Fee | | |
| Accounts Preparation Fee | £1,000 | £500 |
| Subtotal | £1,000 | £500 |
| 1812 - Audit Fees | | |
| Audit Fee | £653 | £390 |
| Subtotal | £653 | £390 |
| 1840 - Health & Safety Costs | | |
| Health & Safety Costs | £630 | £408 |
| Subtotal | £630 | £408 |
| 1634 - Contribution to Reserves | | |
| Contribution to Non-Annual Expenditure | £2,700 | £0 |
| Subtotal | £2,700 | £0 |
| Schedule 1 Total | £45,326 | £8,977 |

Typical elements of the service charge cover (These may differ from one development to another).

- 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 any 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) **Benches and other Street Furniture** - there may be benches, seats, fences, etc which require maintaining to ensure that they do not get into disrepair.
- c) **Reserve Fund** – whilst the equipment around the communal areas is carefully maintained, sometimes there is a requirement to replace items. This would be particularly relevant if e.g. play equipment becomes unsafe. A fund is built up over a prolonged period to pay for these items when such occasions require.
- d) **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.
- e) **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.
- f) **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.
- g) **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 period from the date on which you complete your purchase to the end of the next service charge period.

The Managing Agent will then send you an annual service charge invoice. 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 resident officers are in place, the developer may ask the Managing Agent to stand in as officer of the Management Company. But control of the Management Company will be 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:

Phone: 0333 321 4080

Website: <https://www.firstport.co.uk/contact-us>