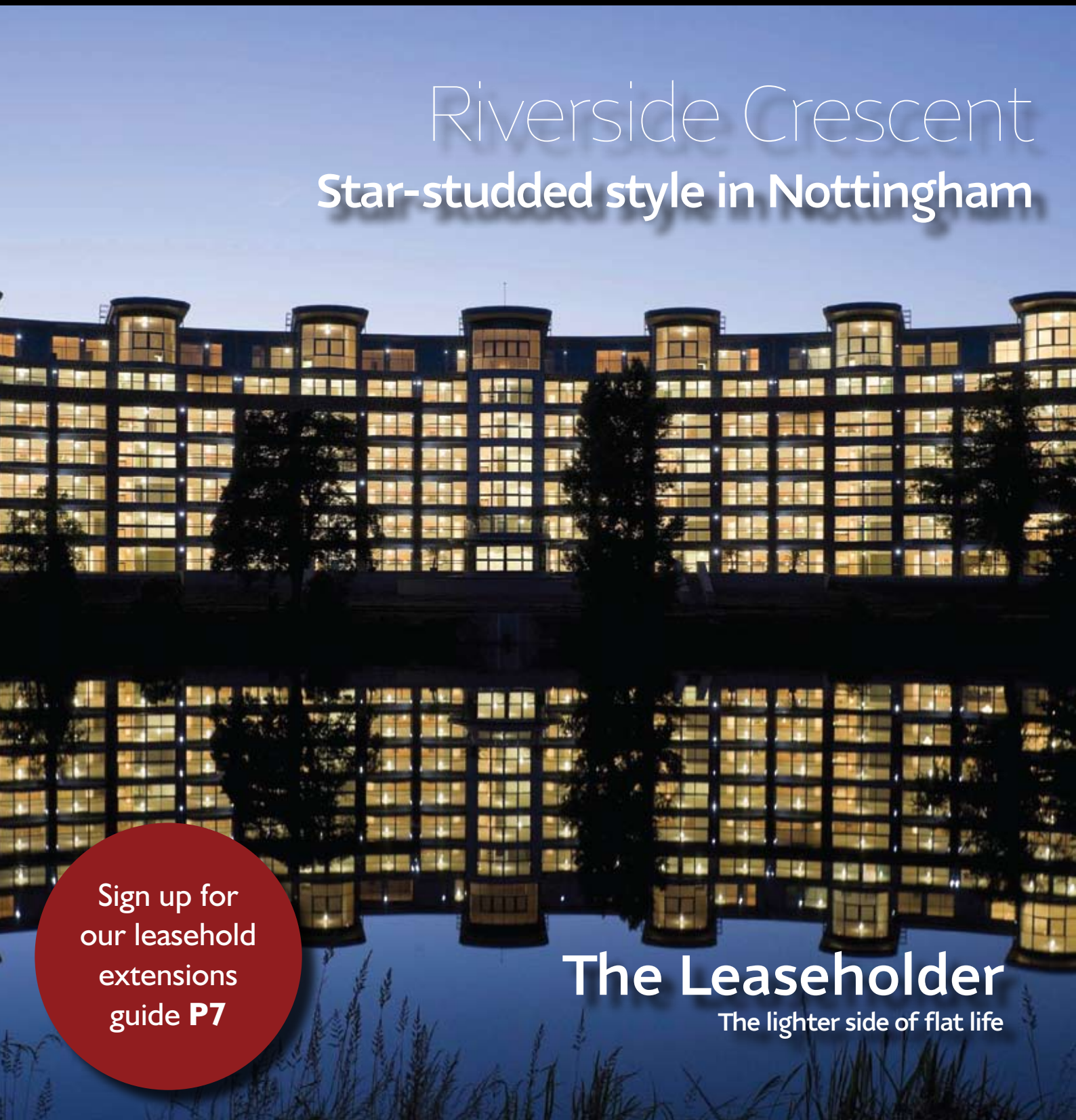
FLAT LIVING

Issue 6 £2.50

- THE LVT EXPLAINED
- COMPANY FORMATION
- HEALTH & SAFETY TIPS

KEEPING YOU UP TO DATE WITH ALL LEASEHOLD MATTERS



Riverside Crescent

Star-studded style in Nottingham

Sign up for our leasehold extensions guide **P7**

The Leaseholder

The lighter side of flat life

Your Total Block Management Energy Solution...

Hallmark is the UK's Leading Utilities Management Partner to the Lettings Industry.

We support over 1000 Lettings companies across the UK, hence Hallmark is now the market leader in providing Utility Management solutions to this market sector. Using our proven experience Hallmark have now developed a specific Utility Management service for Block Management Energy.

The Hallmark Block Management service has many benefits, we will not only establish the most competitive price but will also offer the following additional services which are **Free of charge**;

- Establish current suppliers.
- Establish current contract arrangements including any termination notices.
- Tender to the energy market, to establish best prices, payment terms, billing platforms and customer service.
- Collate information and present to the client in a simple and easy to understand format.
- Manage the contract documentation for the client.
- Ensure smooth transfer to the new supplier.
- Co-ordinate any billing queries.
- Evaluate and select required method of billing.
- Appoint Account Manager.
- Review prices and services on an annual basis.

If you need someone with the type of experience and ability you can trust, then we are sure our team can support you with the most cost effective and efficient block management services, however large or small your needs.

Call us on **0800 088 4166** and we can arrange for one of our Regional Managers to visit and discuss your needs or to find out more about us and how we support our hundreds of customers visit www.hallmarkcorporate.com.

Hallmark
Utility Management Solutions

powered by
Scottish and Southern Energy

In additon to our own exacting standards we are delighted that our preferred energy supplier, Scottish and Southern Energy have for the 4th consecutive year, been voted:

- ★ **Best Overall Energy Supplier**
- ★ **Best Value for Money**
- ★ **Best for Customer Service**

uSwitch Customer satisfaction Reports 2006, 2007, 2008 and 2009

FREEPHONE
0800 458 1523

VISIT US
www.hallmarkcorporate.com

Advertise and subscribe

For advertising enquiries call 0845 257 6374 or visit www.flat-living.co.uk

Kevin McLean
Advertising and Sponsorship Executive
kevin@flat-living.com

Diana Hunt
Advertising Assistant
diana@flat-living.com

Sue Hodnett
Subscriptions Administrator
sue@flat-living.com

Contact

Published by
www.flat-living.co.uk Ltd,
5 Addisons Way, Lilleshall,
Newport TF10 9HH
Tel: 0845 257 6374
Fax: 0845 257 6319
Email: info@flat-living.co.uk

Although every effort is made to ensure the accuracy of material published in Flat Living Magazine, the publishers cannot accept responsibility for the veracity of claims made by contributors or advertisers. Contributors and advertisers must accept full responsibility for the material they submit for publication in particular for ensuring that they do not infringe copyright, intellectual property rights or trademarks.

Copyright for all materials published in Flat Living Magazine remains with the publishers. Any business advice is given for guidance only and readers must consult relevant bodies before acting on any advice given in the magazine.

Flat Living Magazine is published independently of any trade or professional body and retains editorial control over all articles that appear in this issue.

The Journal for Residents' Management Companies supported by ARMA

To ensure you receive every copy of Flat Living magazine and to receive news updates, please subscribe at **http://www.flat-living.co.uk/products/subscribe_to_flat_living.htm**

Looking forward

HAPPY NEW YEAR TO ALL FLAT LIVING READERS. I HOPE THE UNUSUAL WEATHER PATTERNS HAVE NOT CAUSED YOU TOO MANY PROBLEMS. THE SIGHT OF SPRING AND BETTER WEATHER AHEAD IS SOMETHING FOR US ALL TO LOOK FORWARD TO.

We are pleased to announce the launch of a new section, The Leaseholder – **see page 38** of this issue – where we take a look at the lighter side of flat life. We are looking for contributions for future issues, so if you have a 'flash pad' or a feature you would like us to consider we would love to hear from you.

Important features for this issue include our focus on the LVT on **page 16**, company formation on **pages 22-26 and** maintenance and health and safety on **pages 34-36**.

Page 42 takes a look at our recent Leaseholder Roadshow in London, with the next event planned at the Wessex Court Hotel on 7 May in Bournemouth. To join us there, simply call 0845 257 6374 or email *info@flat-living.co.uk*.

In the last issue we launched our Fire Risk Assessment Guide and we have received many thanks from readers who purchased a copy. If you would like one of the new guides, email or call us for details. Compliance with the fire regulations is obviously a concern for many of you – and the same applies to health & safety.

We hope you enjoy this issue of Flat Living Magazine – please continue to send in your stories, questions and queries to the usual address or email us at *info@flat-living.co.uk*

www.flat-living.co.uk has recently been re-launched with an array of additional features. However, if there are any subjects you think we should include, please let us know.

Don't forget, there is an offer to subscribe to Flat Living Magazine for only £10. Fill in the reverse of your delivery note to ensure you receive your copy each quarter. Alternatively you can subscribe online at *www.flat-living.co.uk* or by emailing *info@flat-living.co.uk.*

Editor

Belinda Thorpe

Contents

NEWS 07

CELEBRITY FLATS 09

HELP & ADVICE
from Bruce Maunder Taylor 11

COMMENT: CLAMPING CHAOS CONTINUES 13

LVT 16

COMPANY FORMATION
by Karen Howell Bowley 22

ARMA UPDATES, NEWS AND VIEWS 26

HEALTH AND SAFETY 34

NEW SECTION:
The Leaseholder 38

LEASEHOLDER ROADSHOW 42

PROTECTING YOUR PARKING RIGHTS
by Patrick Troy 44

ICONIC BLOCKS 46

ADVICE FOR FLATBUYERS
from John Byers 49

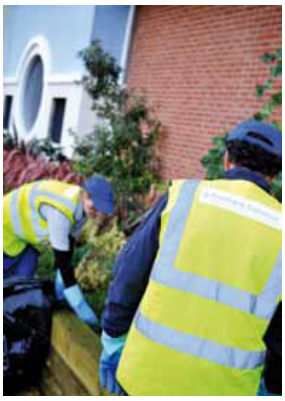
ARMA DIRECTORY 51

END NOTE:
Why I bought a flat... 54

Brothers Services™
Cleaning · Facilities · Maintenance

Is your maintenance and cleaning company delivering the service your clients demand?

Apartment block maintenance you can rely on.



Reliable

Cost effective

Confidential

24 hour service

Contact us now on **0845 519 33 77**
or visit **www.brothersservices.co.uk**

AVIVA

MMA INSURANCE

RSA

Residentsline

Insure with confidence

"Your choice for blocks of flats insurance"

Call 0800 281 235
email info@residentsline.co.uk
www.residentsline.co.uk

Registered Office:
29 Waterloo Road Wolverhampton WV1 4DJ

Registered in England and Wales No. 3874789.
Residentsline Limited is authorised and regulated by the Financial Services Authority.

1st sure
flats insurance

PROPERTY MANAGEMENT AWARDS 2010-11
WINNER

the flats insurance experts

The Number 1 solution for Blocks of Flats Insurance

Insure you buildings with us and get contents insurance for only £25

*Introductory offer to owner occupied flats that have been claim free for three years where 1st Sure insure the buildings for the block of flats. Offer can be claimed online.

Up to £55,000 of contents cover with new for old replacement (except clothing and linen) and accidental damage to home computer and entertainment equipment.

For full terms and conditions visit our website.

0845 370 2842 **www.1stsure.com**

email: info@1stsure.com
5 Martinbridge Estate, Lincoln Road, Enfield EN1 1SP

1st Sure Ltd is an appointed representative of Midway Insurance Services Ltd who are authorised and regulated by the Financial Services Authority

Sky takes stress out of digital switchover

The UK's digital switchover is now underway, with many regions such as the West Country, Wales and Granada already switched, and the remainder to follow by 2012. However, research by Sky shows that many private apartment blocks are still not fully digitally ready. According to Sky Communal TV Solutions, some private landlords are still unclear on what they need to do, due to worries over cost and no obvious single point of contact who can manage the process.

Pascal Wharton, Head of Sky Communal TV Solutions, confirms that around half of blocks will need at least some work to get them ready for digital TV. Ideally this should take place a year or so in advance of switchover to avoid the pressure of working to a tight deadline, but in reality many private landlords are delaying decisions until the last minute because they believe the work will be costly and stressful. Wharton explains that Sky's specialist switchover team are on hand to help: "landlords can be assured of a smooth and affordable switchover," he says, adding that in many cases Sky offers substantial subsidies on its products, depending on the complexity of the installation and cabling work, to make the costs more manageable.

For more information go to www.sky.com/managers or call **08442 410 331** for a free estimate, and get in touch with the Sky Switchover Team.

LEASE closes mediation service

LEASE announced in January that it has taken the decision to stop offering a mediation service **(see page 16)**. Instead, LEASE will refer anyone who needs help to the National Mediation Helpline and the Leasehold Valuation Tribunal. Information on accessing alternative methods of dispute resolution will be added to LEASE's website in the near future.

The decision to close the mediation service has been taken in response to a lack of take-up by leaseholders. LEASE will now concentrate its resources on web, email and telephone advice and the field surgeries that are valued by vulnerable customers.

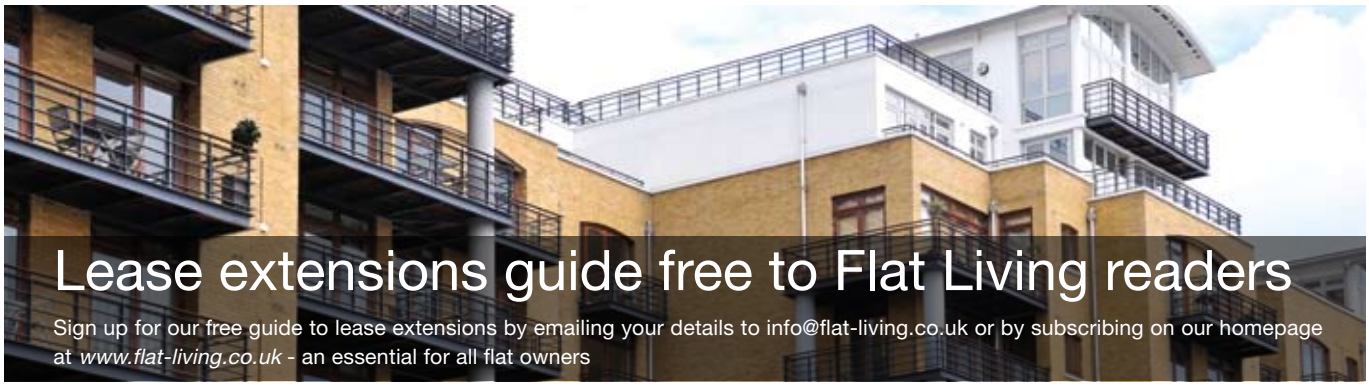
Insurance premium tax increases to 6%

In addition to the standard VAT rate increase from 17.5% to 20% which took effect from 4 January 2011, the government's emergency budget also included an increase in the rate of Insurance Premium Tax (IPT).

From 4 January 2011 the standard rate increased from 5% to 6% and the higher rate applicable to travel insurance rose from 17.5% to 20% in line with the standard VAT rate.

Leasehold Knowledge Partnership launched by CarlEX

CarlEX (the Campaign Against Residential Leasehold Exploitation) has launched the Leasehold Knowledge Partnership, a consultancy that aims to inform and support leaseholders. The LKP's first initiative is to establish its own accreditation scheme for managing agents, launched in January. According to the LKP web site, "For leaseholders, this accreditation scheme will be a measure of the quality of their managing agents. They will know from the publicised 'approvals' list exactly who passes the criteria and gains the CarlEX seal of approval as managing agents and/or developers, and therefore who has not been approved". For more information go to www.leaseholdknowledge.wordpress.com



Lease extensions guide free to Flat Living readers

Sign up for our free guide to lease extensions by emailing your details to info@flat-living.co.uk or by subscribing on our homepage at *www.flat-living.co.uk* - an essential for all flat owners

JJ HOMES

Specialist residential block management servicing London and the South East.

For more information call
020 8296 0181

www.jjhomes.co.uk

ARMA
ASSOCIATION OF RESIDENTIAL
MANAGING AGENTS

Beautiful game comes home

We all love looking at the homes of the rich and famous, so *Flat Living* took a peek at Sven Göran Eriksson's former flat in Nottingham

International sports personality Sven Göran Eriksson needs little introduction. His 2009 appointment to the Director of Football position at Notts County FC, meant the former England manager needed accommodation which was both private and convenient to the club. River Crescent fulfilled both of these criteria. The multi award winning development, which is home to numerous sporting personalities, is situated on a picturesque stretch of the River Trent and provides luxuriously appointed and secure apartments.

Sven moved into a show apartment at River Crescent as a temporary measure while his penthouse suite was being individually crafted. The £1 million, 2067 sq.ft. apartment boasts double height ceilings and an extensive wraparound terrace with breathtaking panoramic views of the river and surrounding parkland.

Resident interior design practice, NDA Private Clients, secured the contract for the penthouse design and installation. *Flat Living* spoke to Practice Manager James Pilling about the experience.

FL: What was the initial brief?

JP: Mr Eriksson had accumulated a substantial collection of fine furniture and artwork, all of which were being held by a local storage facility; the first step was to evaluate every item and produce a definitive list of products that could potentially become the starting point for our design concept. We then designed the majority of the remaining furniture specifically for the space. The internal architecture was also remodelled to provide interesting features. The fundamental philosophy was to create a timeless, high quality, elegant and memorable penthouse. The use of exotic hides and animal prints was inspired by Mr Eriksson's artwork. You'll notice in the images that we've used a restricted palette; Taupe, ivory, black, oak, and bright chrome. This is one of my favourite schemes as it can be accessorised easily with any accent colours.

FL: So what was in Sven's storage - that must have been fascinating to rummage through?

JP: No football trophies. He did have a pair of beautiful antique Swedish occasional chairs, a few fine 19th century Swedish watercolours and a stunningly detailed silk rug which we used in his master bedroom. He did have quite a strong interest in Swedish design, notably the use of wood flooring, which was installed throughout the apartment."

FL: How long did the apartment take to create?

JP: It was quite drawn out actually; there was a substantial amount of work involved. The basic penthouse units here are empty shells,

which is great because it allows for absolute design freedom across the board. Everything can be created specifically for the client, from selecting kitchens, bathrooms and lighting systems, right down to selection of architraves, door handles and hinges. We individually tailored everything, internal layout, bespoke furniture, underfloor heating; the works. In total it took about six months to finalise.

FL: When did Sven move in?

JP: Sadly, before he could take up residence, he resigned from Notts County FC and moved on to manage the Ivory Coast national side – too far to commute! For more on this story – and more photographs, go to www.trentpark.co.uk

NDA Private Clients is affiliated to The National Design Academy, a Centre of Design Excellence specialising in affordable, distance learning interior design education. Go to www.ndaprivateclients.co.uk to view their current portfolio or to arrange a no obligation design meeting. You can also go to http://www.nda.ac.uk/ to learn more about affordable interior design education.

MANAGEMENT PROBLEM?

- Service charge and management disputes
- No effective procedures for collecting service charge arrears
- Rebel lessees
- Major works project under-funded or out of control
- Problems with sub-lettings and unauthorised alterations
- Unresolved and repetitive repair problems
- On-going rows between those who will not pay and everyone else
- Accounting information out of date or just plain wrong
- Repetitive or dodgy insurance claims, high premiums and loaded excesses
- Failure to achieve a co-operative approach to managing the block.

WE PROVIDE THE RESOLUTION

MAUNDER TAYLOR

Chartered Surveyors • Estate Agents • Managing Agents

www.maundertaylor.co.uk

Central, North and North-west London

1320 High Road, Whetstone,
London, N20 9HP
Tel: 020 8446 0011

AND AT

Brosnan House, 175 Darkes Lane,
Potters Bar, Herts EN6 1BW
Tel: 01707 665 666

RICS

ARMA
ASSOCIATION OF RESIDENTIAL MANAGING AGENTS

The ARMA Surgery

Bruce Maunder Taylor, a chartered surveyor and member of ARMA's Council, provides answers to readers' questions. If you have a query, email it to info@flat-living.co.uk *(All names and addresses are withheld)*.

Question: *Our block was built in 1962, originally with fire doors on entry to each flat. Over the last few years some have had their doors changed to uPVC. Can you advise whether these replacement doors will comply with current Building Regulations and will our building insurance remain valid?*

Answer: The first question is whether the door is part of the flat which is demised to the lessee, or whether it is part of the common parts or retained property belonging to the lessor. Most leases provide that the door is part of the flat, belongs to the lessee, and the responsibility for maintaining it is within the repairing obligation of the lessee. Most leases provide that they are obliged to repair, including replace, when appropriate. If you say that the replacement has been carried out in such a way that it is an alteration, then most leases provide that they cannot carry out an alteration without the landlord's consent, with that consent not to be unreasonably withheld. However, that is of little help to you now because you are aware of this alteration having been carried out, you have no doubt continued to demand and collect service charges as rent, and will therefore have waived any claimed breach of the lease. In ordinary language: it's done and dusted.

Any works carried out requiring Building Regulation consent are subject to a one-year time limit during which enforcement action can be taken (subject to some exceptions). The change of a flat door in this manner is not something which will be disclosable on an insurance proposal form and insurers are far more interested in the claims history and certain fundamentals about the building (e.g., age, timber or concrete floors, etc.). There is one other matter of concern: the landlord has an obligation to have a fire risk assessment and carry out such action as is reasonable to ensure fire safety. I have seen cases in which the fire risk assessment has been used as a reason to require lessees to change their flat doors to a fire-risk-compliant door. However, such action risks creating World War III and the general advice is to be quite sure that, if you start pursuing some enforcement action, you have the money and the will to see it through to the bitter end. There are an awful lot of people who would never have started an action if they had realised the money, time and emotional cost of getting involved with lawyers, legal enforcement actions, etc. If enforcement action is required, it is probably most appropriate to report the matter to the Enforcement Officer either of the Local Authority or Local Fire Brigade who may take action themselves, or may provide you with a letter or formal Notice which will enable you to enforce a change through the terms of the lease.

Question: *I am chairperson of the management of a block of flats. Could you please tell me whether the Residents' Management Company has the right to a copy of the tenancy agreement on a rented flat in our block? And should we know the name of the people living in the rented flat for fire reasons?*

Answer: Some leases provide that a licence or landlord's consent is required before a flat can be sub-let. If so, the landlord can incorporate reasonable terms for giving such licence or consent and it is generally accepted as reasonable to require a copy of the tenancy agreement and the name/contact details of the occupier. However, most flat leases do not have such a clause and have no control over these matters. Many wish they did! As a matter of general advice, co-operative management is always the best management. Management by enforcement of so called rights can be deeply painful at times – to everyone. Most flat occupiers recognise that there are likely to be times in the future when they will need the help of other people. Whether or not their landlord is willing to share names and contact details, the occupiers are often willing to do so if given the perception that this is driven by a wish for neighbourly co-operation and not by a nosy parker attitude. Even their landlord is more likely to respond favourably if he believes that shared information means that you will let him know, on a co-operative basis, if something starts going on in the flat, or with its occupation, which might be important to him. The old sayings are still the best ones: it's easier to make enemies, it is best to make friends.

Continued page 12

Question: Could you please advise me, if a flat owner owes service charge money, where do we stand if we ask his tenant to pay the rent to us as the management until debt is clear?

Answer: Your contract is with the lessee, you have no contract with his sub-tenant. The sub-tenant's contract is with the lessee, that sub-tenant has no contract with you. If you do what you suggest without a written agreement by the lessee to do so, that would risk a difficult situation with lawyers involved. The sub-tenant would be foolish to pay you as you are not the agent of the lessee and he has not therefore paid his rent to the person to whom it is due under the terms of his contract. If you are unable to obtain the money from the lessee, then you should instruct your solicitor, or whatever debt recovery service you use.

Question: ***I have recently moved into a flat (one of 30) and been asked to join the managing committee and have taken on the role of treasurer. Two invoices for repairs to two balconies (£4,000 each) contained very little information. Further information provided does not seem to justify the charge made. The decision for the work was done by one RMC director and a managing agent who has been replaced with a new managing agent who appears disinterested.***

Answer: Presumably the two balconies are part of the common parts and the repair costs chargeable to the service charge account. Presumably statutory consultation procedures were followed. If in doubt, check both points. If the S.20 consultation procedures were followed and nobody objected at the time, my advice is to put the matter behind you and move on. Your question does not give the views of other committee members. If they are comfortable with the charge, my advice is the same. If they are also concerned and you really feel that this is a large enough sum of money to justify investigation after the event, then you will need a report from a quantity surveyor. Far more important, for the future, ensure that there is a clear instruction to the managing agent that he should only authorise and pay bills when they have sufficient information to justify the charge. Typically, it should show the material costs separately from the labour costs such that the property manager has some proper basis on which to either authorise or challenge the payment demanded on the invoice.

Question: ***I am Secretary of a Residents' Association. We have a member who has been defaulting on payments to the Residents' Association despite several reminders. I would be grateful for obtaining the advice about what the legal situation is and how we go about obtaining the monies should the need arise.***

Answer: A Residents' Association is not a limited liability company and rarely has a constitution or other basis upon which to take any action over unpaid membership payments. The usual remedy is to remove that person from membership. I do appreciate that most associations want as wide a membership as possible so that they are fully representative. Your question does not say what approaches have been made to the member to try to obtain payment. It may be that, at the present time, they just do not have the money, or it may be that they are unhappy with some decisions or actions being taken by the Association. Communicating with members, getting their views on important Association matters, and generally making them feel that membership of the Association is well justified by the cost of belonging to it, is an important part of the Secretary's role.

Clamping chaos continues

Illegal parking is a major issue for leaseholders and it's time their voice was heard, says *Lesley Davis*

How ironic that legislation currently going through Parliament that includes the proposed ban on clamping and towing away on private land is called the Freedom Bill. The reality is that this section of the Bill will only serve to erode the freedom of leaseholders around the country to retain their own parking spaces – surely not too much to ask on private land? As FPRA chairman Bob Smytherman pointed out in a letter to Henry Smith MP in November, "...the proposed ban is contrary to the coalition's Big Society objectives since it removes the freedom of thousands of small community-level leasehold and residents' associations to manage their estates as they choose".

As regular readers will know, Flat Living is supporting the campaign by ARMA, the FPRA, the British Parking Association (BPA) and other interest groups to amend the Freedom Bill and allow clamping to continue in certain circumstances. Surely it would be far better for the Government to bite the bullet and regulate the industry, retaining the benefits of responsible clamping than to simply sweep away this useful weapon in the battle against illegal parking. We are all aware of the abuses carried out by rogue clamping companies, but as the BPA points out, to blanket-ban clamping because of a few cowboys is like banning cars to prevent speeding.

ARMA's public affairs officer, Tim Taylor, says "ARMA has been working very closely with the BPA since this issue arose and very much supports the BPA's approved operator scheme whereby all clampers would have to be licensed. This must make more sense that a total ban". ARMA has also written to the Home Secretary pointing out the potential damage the ban could do to leaseholders but has not yet received a response.

So while the property industry campaigns on behalf of leaseholders, what can residents do to help themselves? On page 44 of this issue, Patrick Troy of the BPA looks in detail at the alternatives to clamping – none of which provide a quick fix to the problem. Barriers are costly to install, not suitable for all blocks and potentially cause a nuisance to other drivers. Ticketing is a toothless tiger while it remains unregulated; and the police – with more important problems to deal with – are not that interested. Bob Smytherman believes that if the right to clamp is lost to leaseholders, private car parking will be "inundated with illegally parked cars, which will make residents' lives a misery". It seems property managers around the country agree with him. Nearly 150 ARMA members responded to a survey on parking controls last year, revealing strong views (see box below).

The Freedom Bill is likely to be enacted in the next few months but in the meantime, ARMA is encouraging its members and residents to make their views known. ARMA has circulated a template letter for members and their clients to work with in lobbying their local MPs so contact ARMA if you would like more information.

Lesley Davis is a freelance journalist and editor

Clamping – what do ARMA members think?

- **I utilise methods of parking enforcement at my sites because abuse of private land is a growing problem – 93% agree.**
- **I believe that the proposal to ban clamping and towing away on private land will prevent me being able to effectively manage parking on sites – 84% agree.**
- **The ability to use ticketing as the primary means of enforcement of illegal parkers on my site is not enough of a deterrent – 81% agree.**
- **The prevailing legislation whereby drivers can ignore parking tickets by stating 'I was not the driver' needs to be changed – 91% agree.**
- **I believe that a total ban on wheel-clamping is not the answer. The industry needs to be properly regulated in order to protect the interests of landowners, residents and motorists – 93% agree.**

When asked what the consequences of the proposed ban are likely to be, the overwhelming response was – "chaos and aggravation".

Power to the people

Anthony Tokatly is managing director of Surrey-based JJ Homes. He talks to *Flat Living* about leaseholder's rights and running a successful business

Question: *What is it about the leasehold sector that interests you?*

Answer: JJ Homes has been around since 1960. In the intervening years, property legislation has changed almost beyond recognition and the increasing rights of leaseholders mean that they are now in the driving seat: if they want to extend their lease, they can, at a pre-defined price laid down by law. If they want to buy their freehold - no problem - they can, at a pre-defined price laid down by law. These two factors alone have made the property management industry one of the most dynamic and challenging around. Leaseholder empowerment has created big opportunities for all not previously possible. The sector is currently undergoing huge change in many areas and hence we see a major opportunity for JJ Homes to capitalise. Resident directors are now firmly in control and we work with them closely on a daily basis to implement innovative, pro-active solutions to help manage their properties that previously were not being driven through by indifferent freeholders. Bring on Power to the People!

Question: *What is your company's strategy for the next 12 months?*

Answer: There is nothing more satisfying than growth through recommendation – we have grown consistently and manageably year on year…every year. Our strategy is to continually strive to offer the best service we can by continually fine-tuning our service offering. We achieve this by listening to our clients and gaining valuable feedback from them on a daily basis. We evaluate and consolidate this feedback in quarterly brainstorming sessions with all members of staff and come away from these sessions with at least two or three ideas which are converted into tangible client benefits. This is our strategy for the next 12 months…and beyond.

Question: *What is the key to successful property management?*

Answer: One word…People. We do not sell a product - what we do sell is a service. This service has to be spot-on. We recruit only the highest calibre people to ensure this happens through all areas of the company. To this end each employee has a small share in the company and their performance is evaluated and rewarded on a quarterly basis. We believe in keeping and incentivising staff for the long term - internal promotion is an integral part of this process. To give just one example, Pam Ashton started as a property manager with us six years ago. She is now general manager and has a major equity share.

Question: *What is the best thing about property management?*

Answer: We all love a challenge and managing people's homes is way up there. When everything is going well, arrears are down, routine works are swimming along fine and residents are regularly informed of issues, there is nothing more satisfying than attending a directors meeting when they all have smiles on their faces and are freed-up to talk through innovative ideas to move the development forward. One of the ideas which is gaining in popularity is installing turbines and Photovoltaic cells on the roofs of developments. These can be government funded and self financing and we see this as the future of power supply to large buildings. What could be more satisfying then helping to save the environment?

Question: *And the worst?*

Answer: We all have good days and not so good days. The key is to do the best you can. Understanding the issues and, at times, frustrations of residents is paramount and to manage their expectations and deliver realistic cost effective solutions to all.

Question: *What do you do in your spare time?*

Answer: Spare time is something of a rarity. I do believe the key to a successful life is balance, so I do make sure I achieve this. I play tennis twice a week and represent my local club in the Surrey leagues…I am also a keen (warm weather) sailor but can forget that now until the spring !!!

Anthony Tokatly BSc (Eng) Hons KCA
Managing Director
JJ Homes (Properties) Ltd,
Tel : 020 8296 0181
www.jjhomes.co.uk

services for managing agents, freeholders, developers and RMCs

Service Charge Arrears?
Ground Rent Arrears?

professional services firm of the year 2009

SLC|solicitors

- no upfront charges
- no recovery no fee
- easy to instruct
- nationwide

for more information please
contact Karen Bolland

0845 1 700 700

nationwide service - no legal costs paid by client*
late payment interest, admin charges and legal costs recovered*

*subject to lease

www.servicechargearrears.com

Disputes on the increase

Michael Lee asks why more leaseholders are taking their service charge problems to the LVT?

In the last three years, the number of service charge disputes determined by the Leasehold Valuation Tribunals (LVTs) in England has increased by 165%. Not surprisingly, by far the busiest region is London at just over 50% (in 2010) of cases, with its share increasing from 38% in 2008. However, it is interesting to note that during this period the biggest regional growth has been seen in the Northern and Eastern regions of England.

From a sample taken of 50 cases from the busiest two regions, the top three reasons for disputes in London are: unreasonable charges (19%); insurance premiums (15%) and major works (14%) while in the Southern region they are: withheld service charges (41%), major works (27%) and unreasonable charges (14%). Disputes over managing agents', administration and consultants' fees are generally low across the country.

The issue of unreasonableness was dealt with in the case of Shersby, where the Upper Chamber (previously known as the Lands Tribunal, which is where LVT decisions are appealed) held that it had to be proven that a landlord (or RMC) acted unreasonably or improperly and that if it had acted within a range of alternatives then it had not acted unreasonably. This effectively widened the scope of what is reasonable. It is also fair to say that, in reasonableness challenges, landlords/RMCs are favoured more than in any other area of Landlord & Tenant law.

WHY THE INCREASE?

The increase in cases is thought to be mainly due to the increasing awareness of legislation and availability of explanatory information on the internet, combined with ever increasing consumerism and cost awareness. The relative ease of access to the LVT and the ability to self-represent makes it an attractive option for dispute resolution.

However, this does have repercussions on Resident Management Companies (RMCs) and property managers who will face non–recoverable costs in representation and attendance which a self representing lessee will not face (see page 20 for more on this).

WHO PAYS?

In the event of a lessee withholding service charges, the LVT will determine the reasons for non-payment (i.e. the liability to pay and reasonableness of those charges). Each party pays their own costs. However, the costs of the landlord or RMC may be recoverable from service charges as it is fairly common in residential leases for the landlord's legal costs in managing the property to be rechargeable. These can include the costs of court or LVT actions, whether initiated by the landlord or the tenant. Section 20c of the Landlord and Tenant Act 1985 enables a tenant to seek an order that the costs incurred by the landlord from proceedings before the LVT are not to be included in the service charges. This allows a tenant to seek that any reduction

What is the LVT?

The Leasehold Valuation Tribunal (LVT) is an accessible, informal, independent and impartial tribunal service which deals with a wide variety of disputes. Among other matters, these include the liability to pay and reasonableness of service charges; insurance; the appointment of a manager; lease variations; and consultation requirements for major works. It is an expert tribunal with the panel applying their own knowledge and experience and acting judicially and fairly.

There are five regionally based LVT offices, plus one for Wales. In England the offices and their percentage of total national service charge disputes heard are: London (50.5%), Southern (21.5%), Northern (11.5%), Eastern (11.5%) and Midland (5%).

The tribunal usually consists of a lawyer, who is often the chairman, and one or two surveyors. In order to make the LVT accessible, proceedings are semi-formal with parties not having to be professionally represented. However, in cases involving substantial amounts of money with lawyers and experts, traditional court practice is likely to be followed, although where surveyors/property managers/lessees are appointed then a softer approach can be taken.

BESPOKE RECRUITMENT SOLUTIONS FOR THE RESIDENTIAL PROPERTY SECTOR

bbl

Whether you seek fresh employment or additional staff, key to your success is finding the right recruitment consultant to represent you. Not only are our consultants experienced recruiters, but also resident management directors and landlords in their own right. As a company, we are also members of the Recruitment & Employment Confederation (REC) and hold full ISO9001 Quality Assurance accreditation.

With over 15 years experience we actively recruit/supply professionals in all of the following categories:

- **Leasehold / Block Property Managers (with/without IRPM qualification)**
- **Assistant Property Managers (Graduates and/or 1-2 years experience)**
- **Service Charge / Client Accountants (Assistant through to Senior)**
- **Estate Managers, Building Managers and Concierges**
- **Building and General Practice Surveyors (Graduate / APC through to M/FRICS qualified)**

Seeking employment?

For professionals seeking fresh employment, not only are your needs and CV understood, but they are completely safe and never shared with a third party without your consent (we are regularly audited to ensure compliance with this claim).

Our client portfolio is impressive with some of the biggest and most desirable names in property regularly instructing us on a sole or preferred agency basis. The range of vacancies we carry across the property spectrum is both diverse and extensive and we regularly update those registered with job alerts via SMS and email.

Require staff?

For companies seeking staff (or advice), you can be sure of an extensive database of well briefed/vetted candidates, thorough knowledge of your business, extremely competitive fees and a comprehensive guarantee/rebate period should things not work out. Where requested, we can also provide access to all of the leading job boards and journals as well as interviewing facilities and testing (psychometric).

To discuss your career or staff requirements with a consultant who understands and can help, please contact us in complete confidence on:

Greg Coyle
gregc@bbltechnical.co.uk)
(Direct dial TEL) 0208 514 9116

Rhys Townsend
rhyst@bbltechnical.co.uk)
(Direct dial TEL) 0208 514 9113

By post: BBL, 15 Clements Court,
Clements Lane, Ilford,
Essex, IG1 2QY
www.bbltechnical.co.uk

REC Member

LLOYD'S REGISTER QUALITY ASSURANCE ISO9001 UKAS QUALITY MANAGEMENT 001

achieved in their service charges will be not cancelled out by the landlord recharging the legal costs of an unsuccessful defence to the service charges. Tenants who are being taken by the landlord/RMC to the LVT can also make an application. The LVT will review the evidence presented before deciding what is appropriate.

It is therefore in the interests of RMCs and property managers to try and avoid the matter being referred to the LVT and they can carry out, as part of their discussions with a lessee, some of the processes that would be required by the LVT procedures.

KNOW YOUR LEASE

A lessee should not commence on what is nothing more than a fishing expedition if they don't have any factual information to support their claim. They should start by seeking the information they are obliged to be provided with under the lease and the summary of relevant costs relating to the service charges, payable under Section 21 of the Landlord and Tenant Act 1985. The starting point is to assess the case and prepare a summary setting out the elements to establish, the facts to establish and the available evidence in order to focus on what information is available to support the point you are trying to prove. This will soon highlight whether your case is strong and where the evidence in support of it is weak. You can then devise an action plan in order to gather the necessary information.

KEEPING TIME AND COST DOWN

If the matter went to an LVT then a Pre-Trial Review would be held to assess the case and it is likely that it would be directed that a joint meeting be required in order to produce what is known as a Scott Schedule (a table with columns showing a reference number, the matter at issue, the applicants comment, the respondents comment and a blank column for the LVT's decision). This process will hopefully result in some issues being agreed which should be shown and the matters at issue therefore reduced. This will reduce the time spent and costs incurred in the LVT.

A simple investment of time in communication and transparency between the RMC/Property Managers and the lessees is well spent, when compared with the time and effort needed in taking the matter to the LVT which, by its very nature, can be unpredictable in its determination. A much swifter and cheaper method of resolution, the Leasehold Advisory Service (LEASE) Mediation Service, has just been closed (see *News* page 7).

If you find yourself with a service charge issue, then a good starting point is the very informative LEASE website (www.lease-advice.org) which also has a list of surveyors and solicitors who deal with such matters. Depending on the type of dispute you are involved in, contact the RICS (www.rics.org) or the Association of Residential Managing Agents (www.arma.org).

Michael R Lee BSc(Hons) MRICS Managing Director
Tel: 020 8948 1122 Email: Michael.lee@hmlshaw.com

RMCS AND PROPERTY MANAGERS... WILL FACE NON–RECOVERABLE COSTS IN REPRESENTATION AND ATTENDANCE WHICH A SELF REPRESENTING LESSEE WILL NOT FACE

Our dedicated Switchover Team – experts in getting flats ready for the digital switchover

The digital switchover is well underway. Are you ready?

Although the switchover has already started in many regions, a survey* undertaken by Sky showed 57% of private landlords are not yet prepared. And if your residents don't have digital equipment by the time your area switches over, they'll no longer be able to watch TV. Take a look at the map to see when you need to be ready. By working with us now, you can ensure your residents continue to have access to top quality TV after the switchover – including the most popular options from Sky.

We'll help you find the right solution

We'll provide you with an estimate straight away, and follow up with a free survey which will tell you all you need to know about installing a communal TV system in your block. Then we'll work with you to choose the solution that suits you best – be it our shared dish or platform-neutral Integrated Reception System (IRS). Flexible financial options are available, whichever you choose.

One less thing for Managing Agents to worry about

Our dedicated Sky Switchover Team has been helping Managing Agents switch their flats to digital for a number of years – so you'll know you're in safe hands. Together with your personal account manager, they'll guide you through the whole switchover process and make it as easy and stress free for you as possible.

Here's what they're saying:

"We knew from experience that Sky would recommend a reliable and cost-effective solution to give all residents access to digital TV." **Rendall and Rittner**, **Managing Agent**

"The installers did the job quietly and without fuss – when the man came to install the Sky+HD box in my flat, he was polite and explained everything. After that, I was all set-up for Sky." **Cedric**, **resident**

TV region switchover

Border	Complete	Yorkshire	2011
West Country	Complete	Anglia	2011
Granada	Complete	Central	2011
Wales	Complete	Meridian	2011/12
Channel Isles	2010	London	2012
STV North	2010	Tyne Tees	2012
STV Central	2010/11	Ulster	2012
West	2010/11		

Here are a few of the Managing Agents we work with:

Caxtons · Rendall & Rittner · Abbeystone · MetroPM · Annan Property

Get set for the digital switchover – ask for your estimate today

Call **08442 410 387**
Or visit **sky.com/managers**

sky
Believe in better

get set for digital

*In September 2008, Sky undertook detailed physical surveys of 129 private blocks, each containing between 4 and 66 separate flats, in 8 areas around the UK – including London, Birmingham, Manchester and Cardiff. The in-depth surveys were carried out to obtain a snapshot of the current situation nationwide and found that over half of private rental properties were not fully ready for the digital switchover. Visit sky.com/managers for more information. **Sky TV:** Sky box, set-up and Sky TV subscription required for each customer to receive Sky digital programming. Sky selects your equipment. **Switchover Area:** Please see digitaluk.co.uk to check when your block will be affected by the digital switchover. **General:** Minimum Sky TV subscriptions are 12 months. Information only applies to residential customers in the UK, Channel Islands and Isle of Man. Calls cost 5p per minute (plus up to 9.9p connection fee for BT customers). Calls from other providers may vary, further terms apply. Information correct as at 6 October 2010.

Meet Bill...

Solicitor *Simon Painter* explains the current appeal of the LVT

It is inevitable in a recession that people will consider it worthwhile trying to protect their hard-earned money by challenging the financial demands made on them. Service charges levied on flat-owners are no exception.

A few years ago a flat-owner, let's call him Bill, may have been sitting comfortably with the value of his property increasing year by year, his mortgage decreasing, a steady job with a healthy annual pay rise and perhaps a bonus. If Bill received a service charge demand from his landlord he might be able to pay the sum outright or borrow from his mortgage lender and pay it off over the remaining term of the mortgage, barely noticing the difference in his monthly outgoings. In that situation Bill would probably just have paid up and carried on with his life.

Now things have changed. Even if Bill is still in his steady job he may be nervous about extending his borrowings in the present economic climate. What's more, his lender will almost certainly have tightened its borrowing criteria so that he may be unable to borrow any more against his flat. All in all, borrowing is likely to be a less attractive proposition in 2011 than it was in 2007. Added to this, the cost of living is rising all the time with fuel and food bills reaching an all time high. Not a great time to be faced with a large service charge bill for building repairs.

Bill is aware of his right to challenge his service charges from the summary served with the demand - a legal requirement since 2007. This informs him that he can make an application to the Leasehold Valuation Tribunal (LVT). He has heard from some of his friends that this is worthwhile, as tenants often achieve a major reduction in the amount they will have to pay. The other four leaseholders in the building all have similar concerns about the proposed works and charges and they make a joint application to the LVT.

Bill's scenario is one which will be repeated in thousands of similar situations around the country in the current difficult financial climate. It is therefore not surprising that there has been a significant increase in service charge disputes over the last year or so. My guess is that this is set to continue over the next year or so.

Simon Painter is a Partner at Bircham Dyson Bell LLP specialising in property litigation.

Lessees count the cost of LVTs

Taking your dispute to the LVT should always be considered a last resort, warns *Konrad Grosse* who, together with his fellow residents, has recently fallen foul of a flaw in the LVT system

If a lessee loses their case at the LVT they only risk a maximum £500 in costs being awarded against them. However there is no limit to what it could cost a Resident Management Company (RMC) - a cost that is non-recoverable and is likely to be re-charged to the lessees via future fees.

In Konrad's case, the unrecoverable costs levied against the residents of his London block amounted to a staggering £25,000 after the LVT allowed a maximum of £40,000 recoverable legal costs. He estimates that the cost to you and me, the taxpayer, in running a 7-day LVT hearing would be about the same. Konrad explains what happened: "In 2008, our RMC took legal action to recover arrears of service charge from one lessee. The action commenced in the County Court and some matters were referred to the LVT. After a 7-day hearing, the determination was handed down allowing £40,000 to be recovered in legal costs from the service charge but a balance of £25,000 to be found by the RMC.

"The management company responsible to all the lessees of a block is under a duty of care to ensure everyone pays their service charges. The legal process, should it come to it, is very strict and procedures have to be followed but it appears that any lessee with even the smallest of gripes (whether genuine, or not) can request the County Court to refer the case to LVT. This not only carries with it a minimal (£500 maximum) financial risk on costs to themselves, but of greater concern, the very real possibility that the service charge or the RMC (if it has funds) will end up being responsible for the costs of the action. In our case other lessees joined the LVT, as is their right, but this still amounted to less than 6% of the flats in the development.

"The leaseholders who pay, find themselves not only penalised for honouring their lease covenant but also having to effectively pay for the actions of others over which they have no control. Why can an LVT allow such significant costs to be unrecoverable in whole or in part from the lessee(s) who have run an action through the judicial process without fear of having to pay anything like their reasonable costs? The process is fundamentally flawed and a system that was set up to protect lessees can actually present a very real financial risk to them."

Arbitration and mediation are available to leaseholders in the first instance, providing they are willing to use it. "In our case this option was refused by the errant lessee, the reasoning being 'there is no point talking to them unless they are going to agree with us' and to the best of my knowledge the LVT did not question whether the option had been explored," says Konrad, who believes this leaves the LVT wide open to abuse.

"In my opinion, the LVT is well intentioned but potentially highly vulnerable to any unscrupulous lessee who can use the system to their own advantage at serious detriment of their neighbours", he says.

Hindle Campbell
Law

With over 30 years of experience if your struggling to collect...

Service Charge Arrears?
Ground Rent Arrears?

Let Hindle Campbell Law help you take the hassle out of Service Charge /Ground Rent arrears collection, with our personal service.

* Dedicated Business Manager
* NO upfront charges
* NO recovery No Fee*
* Nationwide Service

For more information contact
John Taylor
Tel: 0191 296 1777
Mobile: 07412 249954
Email: john.taylor@hindle-campbell.co.uk

www.hindle-campbell.co.uk

*subject to lease

HindleCampbell Law is the Business name of HC Law LLP registration number 2284273 Regulated by the Solicitors Regulation Authority (registration number 519273)

Forming a Residents Management Company: what you should know

Karen Howell Bowley* is Jordans' foremost expert on the incorporation of RMCs. Here she shares her extensive knowledge with *Flat Living

The leaseholders and/or freeholders of a Residents Management Company (RMC) will be a diverse group of people with one thing in common. They share a building that has been separated into individually owned and occupied units. Each unit depends upon the others for support and protection - quite literally. So the walls of one flat will depend upon the walls of another in order just to stay up! Being so interdependent they would be impossible to manage without some form of integrated management structure. Any potential buyer of a unit should ensure that before he purchases there is a proper structure in place providing rules to enforce the obligations between each unit in relation to the other units.

Most freehold property owners never have to address these problems because they are the absolute owners of every single part of the property. However, with flats, under the terms of the lease the leaseholders will have entered into covenants with the landlord which are necessary for the efficient running of the building or the estate. These covenants are obligations contractually binding on the leaseholders. Without a management structure to enable the enforcing of covenants and collecting monies due, management of the property in question could break down.

Resident management companies will deal with (among other things):

- Management and maintenance of common parts like staircases, halls, gardens, drive-ways, roads and other access-ways;
- Collecting service charges and arranging services – cleaning, decorating, lift maintenance and window cleaning;
- Payment of insurance, maintenance costs, professional fees, rates, taxes etc; and
- Purchase or own the freehold i.e. become the landlord, as necessary.

BUYING A FLAT

When buying a flat, a buyer should always consider the management structure. Flats in well-managed blocks are usually easier to sell and because they are well managed are likely to be more harmonious places in which to live.

The recognised and most common structure is the limited company. Who owns the company will often govern how well or badly management is controlled. Structures will vary according to the age of the block, where it is located, and the number of flats and also according to the method by which control of management has been acquired.

COMPANY LIMITED BY SHARES OR GUARANTEE?

If a share company, the company normally issues one share to each flat owner. Each share will have a nominal value and upon payment for the share each applicant shall be entitled to and then become a member of the company and can vote as a member. It will normally be a condition of ownership of the flat that the new tenant becomes a member of the company and the old tenant transfers the share. If there are two tenants of a single flat (e.g. husband and wife) then they will own the share jointly. Care must be taken to ensure that they are not issued one share each as then this will give them too many voting rights and upset the balance of power between flat owners. If the company fails, shareholders' liability is limited by the amount they have paid for the shares. A company limited by shares can distribute any profits to the members. However the downside of profit distributions to the members of the company is that the company and its members would then become liable to tax.

BY GUARANTEE

This is the simplest form of management company if you live in a relatively small block of flats. This is because it is much easier to deal with changes of ownership (the outgoing tenant resigns, the incoming tenant is admitted as a member) so there is no need to physically transfer shares. In addition, it is usually one member one vote. No share certificates are issued. Each member is entered on the register of members provided that he fulfils the necessary qualification for membership (i.e. he or she owns one of the flats). Each member is removed if he no longer qualifies (sells his flat).

A company limited by guarantee is usually formed as a not-for-profit organisation and therefore an advantage is that they should not be liable to corporation tax. The members of the company act as guarantors and therefore if for any reason the company should fail, the members have to pay a nominal amount in the event of any shortfall.

As always, professional advice regarding individual tax liability should be sought before establishing the company.

ARTICLES OF ASSOCIATION

The articles of association will set out the constitution of the company and would typically include the following features. Care should be taken to ensure that the articles are fit for purpose.

- The articles are tailored to give the power for the company to own (freehold or leasehold) and manage the named property/site. The full address of the property the company will manage is included. This makes clear that the company is not to be used for other purposes.

- Power for the company to deal with all usual management activities (e.g. maintenance and insurance) and also specific powers to maintain paths, roads, access-ways, grounds and landscaping and to arrange services and amenities.
- If required, and it is a new development, a power to allow the developer of the property to retain voting control of the company until all the dwellings or units are sold. Once all units are sold, the developer ceases to be a member of the company.
- The articles also provide that only a lessee or freeholder may be a member. Whenever a unit is sold, the purchaser becomes a member of the company in place of the person who has sold their unit.

LIMITED COMPANY

The limited company is an artificial legal entity in the sense that it has no power to fulfil its functions itself. Somebody must therefore represent the company and carry out its functions. It is this function which directors perform, either individually or collectively.

Private companies generally restrict ownership of the company to a limited class of persons and all flat management companies are likely to fall into this category. Flat management companies are advised that more than one director should be appointed so that a 'committee decision' on matters relating to the company may be reached. It also provides some protection against one director taking risks with the company funds.

The company is managed by the directors who may exercise all powers of the company. It will clearly fall to the directors of the flat management company to assume responsibility on behalf of all flat-owners to ensure proper management of the property and to carry out the wishes of the majority of members expressed at members' meetings.

Directors are obliged to exercise their duties to promote the success of the company upon whose behalf they act and to comply with all statutory requirements. Due to the administrative and non-trading nature of a flat management company, it is not often that the directors will have cause to be overly concerned by the majority of statutory requirements.

No remuneration is usually allowed for management company directors but provisions may be made for expenses to be paid in certain circumstances if the members consider it appropriate.

In allocating directors' duties, it is possible to delegate specific areas to sub-committees, if you have a larger block of flats, to ease the workload of a particular director.

Common administrative requirements include:-

- insurance
- maintenance and repairs
- banking
- rent and service charge collection
- preparation of annual budget estimates
- maintenance of books of account
- annual accounts
- security of property, and
- keeping flat-owners informed.

MAINTENANCE AND REPAIRS

Once the building is owned by the flat management company, the main structure of the property will usually become its responsibility. This includes the foundations, external walls, joists, roof and other supporting structures and all the common parts, such as staircases, lifts, hall and main access-ways, gardens or yards and driveways. The director with responsibility for these matters will sometimes find this task onerous since the cost of maintenance and repairs features high in the list of costs which he flat-owners will ultimately have to share.

The directors dealing with maintenance and repairs will need to liaise with the directors involved with insurance and with the person whose job it is to prepare annual expenditure estimates.

PENALTIES

It is important to remember that as a director, a flat-owner is liable to penalties both financial and otherwise. Failure to file an annual return or completing it improperly may result in a fine. Directors may also be disqualified from acting as a director in certain cases where there is persistent default in submitting documents.

CHECK LIST

Here is a check-list of those items which should always be uppermost in a director's mind:

- File changes of details of officers
- Keep the statutory books up to date at all times
- Ensure statutory accounts are prepared within the time-limits
- File annual returns on time
- Diarise critical dates for dealing with important company matters
- Have good professional advisers to hand
- Keep all flat-owners informed of any major item of importance
- Keep legal documents such as leases and the other title documents in a secure place
- Understand the provisions of the leases
- Do not permit individual flat-owners to delay payment of monies owing by them for too long

There may be a perception that the duties for directors of a residents' management company are less onerous than if it were a trading company. The responsibility is great and directors may benefit from taking advice on their position.

Such companies are the foundation to the good management of residential blocks – directors who take their responsibilities seriously are the mortar that holds it together..

Karen Howell Bowley
Company formation executive
Jordans Limited

For further information please contact:
Carol Prince, Commercial Manager, Jordans Limited
Tel: 0117 918 1284 or email: carol_prince@jordans.co.uk or
visit www.jordans.co.uk

Company formation and your insurer

Most Insurers will provide Directors & Officers Liability Insurance policies whether or not they are incorporated and whether they are registered at Companies House as a Private Limited Company (for profit) or a Company Limited by Guarantee (not for profit).

Although the pricing of policies does not change regardless of how they have registered, the cover offered however, usually does.

An association that has been entered as not for profit will benefit from the inclusion of fidelity cover along with loss of documents cover. Fidelity cover protects the Insured from theft of money, or other property belonging to it, by an employee. Loss of documents cover will pay the cost of reconstituting, restoring or replacing documents (including electronic computer system records) belonging to or under the care custody or control of the Insured.

Also, if a company wishes to extend its policy to include its own liabilities (corporate liability or organisational cover), then a company registered as not for profit also benefits from professional indemnity.

Increasing Returns for the Housing Sector Conference 2011

A new era for residential property management

24 MARCH 2011

SPEECHLY BIRCHAM
6 NEW STREET SQUARE
LONDON

HEAR FROM LEADING SPEAKERS INCLUDING:

Nick Jopling
chief executive
Grainger

Alan Collett
chair
ARIM

David Newnes
managing director
LSL Property Services

Tim Saunders
chief executive
Touchstone

David Dalby
residential professional group director
RICS

REASONS TO ATTEND:

- **Hear** the investor's perspective on how to add value to a residential asset
- **Examine** the differences between the landlord's and the customer's interests
- **Network** with your peers from across the residential market
- **Learn** from best practice across the industry

Organised by: Property Week print.online.events

Hosted by: SpeechlyBircham

Gold Sponsors: Peverel PROPERTY MANAGEMENT, mainstay

Association Partner: ARMA

Media Partners: FLAT LIVING .co.uk, NEWS BLOCK

Increasing Returns for the Housing Sector 2011 is CPD CERTIFIED

3 EASY WAYS TO REGISTER

W: propertyweek.com/propertymanagement **T:** +44 (0)20 7560 4040
E: propertyweekevents@ubm.com

Doing the paperwork

What do RMCs need to do to register their company? *Flat Living* explains the process of incorporation

In order to set up your RMC as a company limited either by shares or guarantee, you will need to register with Companies House, which is an executive agency for the Department of Business, Innovation and Skills.

Companies House can offer help and information on the forms you will need to fill in and on choosing a company name. It can also offer general advice on the filing process, which is a legal requirement for all companies. However, it can't form the company for you. You will either need to do this yourself or use a company formation agent, accountant or solicitor.

Before you register your company, you will first need to choose a name. This cannot be the same as that of another registered company and you can check the index of names by using the free Webcheck search service at www.companieshouse.gov.uk. Once you have chosen your name, you will need to complete the following:

- Application to register a company (Form IN01)
- Memorandum of Association; and
- Articles of Association

These all require some explanation.

WHAT IS FORM IN01?

Form 1N01 asks for the following information:

- the proposed name of your company;
- whereabouts in the United Kingdom the company's registered office will be located;
- general details about the proposed company, including a list of names of the proposed officers, the director(s), and the secretary (if it has one). You will also have to state whether it is a public or private company and give your intended registered office address. This doesn't have to be in your block but it must be a real address. Some companies use their accountant's address as their registered office but wherever you choose, the directors are responsible for ensuring all notices, letters and reminders sent by Companies House or other organisations, businesses or individuals will be dealt with if they are sent there; and
- a statement of capital and initial shareholdings or a statement of guarantee;

There will also be a section requiring you to confirm you have requested and attached a copy of a statement of support from a government department or other body if your application includes a proposed company name which contains a prescribed or sensitive word. This is very unlikely to apply to RMCs.

WHAT IS THE MEMORANDUM OF ASSOCIATION?

This confirms your intention to form a company. It contains the names and signatures of the people who are forming the company and for companies limited by shares, a commitment is given that each subscriber will take at least one share. A pro forma memorandum can be downloaded from the Companies House website.

WHAT ARE ARTICLES OF ASSOCIATION?

These are the rules by which your company will be run. Every company formed under the Companies Act 2006 will have these articles of association which are generally referred to simply as 'articles'. They are designed to ensure the smooth and efficient operation of your company and to set out how the company will take decisions. They also include rules on how shares are dealt with. Every company is required to have articles and they are legally binding on the company and its members – so they cannot include rules that are against the law. Beyond that, it is entirely up to you to set your own rules, although the majority of companies, especially small ones, rely on model articles from Companies House. If you do decide to set out your own rules, you should first consider taking professional advice.

When you fill in Form IN01 you will need to state whether your proposed company is adopting:

- model articles in their entirety (copy of the articles not required);
- model articles with amendments (copy of the amended articles as amended must be sent with the IN01but need not include the text of provisions of model articles that are adopted without amendment); or
- bespoke articles (copy of the articles must be sent with the IN01).

If you don't indicate which type of articles you will be using, Companies House will automatically apply the model articles they consider appropriate to your company type.

HOW MUCH WILL IT COST ME TO FORM A COMPANY?

The cost of incorporation is slightly different depending on which filing method you choose. For electronic filing, the standard registration fee is £15 and for paper filing it is £20.

For a £50 fee, you can use the 'Same Day' incorporation service which lets you register your company on the day your documents are received. This only applies if they are delivered by courier or by hand to Companies House by 3pm between Monday and Friday. This doesn't apply to postal deliveries, although Companies House does promise to register applications on the day they receive them whenever possible. To take advantage of this service, make sure you clearly mark the envelope containing your documents 'Same day incorporation'. For £30, the same service applies to electronic filing. Standard documents should be processed within 5 days of receipt.

Cheques should be made payable to Companies House and RMCs should note that electronic applications are processed faster than those filed on paper.

FILING YOUR FORMS

Go to the companies House website for more information on how to send your application electronically. If you prefer to file paper documents you should send them, together with the relevant fee, to Companies House as follows:

Continued on page 26

- For companies with a registered office in England or Wales: New Companies Section, Companies House, Crown Way Cardiff CF14 3UZ
- For companies with a registered office in Scotland: Companies House, 4th Floor Edinburgh Quay 2, 139 Fountain bridge, Edinburgh EH3 9FF; and
- For companies with a registered office in Northern Ireland: Companies House, 2nd Floor The Linenhall, 32-38 Linenhall Street, Belfast BT2 8BG

AND FINALLY...YOU'VE FORMED A COMPANY

If all your documentation is correct and the company name you have chosen is acceptable, your incorporation documents will be registered and you will be issued a certificate stating that the company is incorporated. If you choose to file your documents electronically, your certificate will be issued via the internet.

This certificate is proof that you have met the requirements of the Companies Act 2006 and that your company is registered under the Act. The certificate will state:

- the name and registered number of the company;
- the date of its incorporation;
- whether it is a limited or unlimited company, and if it is limited whether it is limited by shares or limited by guarantee;
- whether it is a private or a public company; and
- whether the company's registered office is located in England and Wales, Scotland or in Northern Ireland.

The certificate must be signed by the registrar or authenticated by the registrar's official seal.

All the documents you need for company formation can be obtained from a legal stationers or a company formation agent for around £30.

HOW IS YOUR COMPANY SET UP?

Now we've given you all the information you need on the practical aspects of company formation, we want to take a look at this important aspect of flat ownership from the leaseholder's point of view. When setting up a management company, some of the most commonly asked questions are:

- Is my RMC legal?
- Is it set up in the best way for my block?
- What are our options?
- What are the pros and cons for leaseholders of the different options?

Look out for the answers to these questions in the next issue of Flat Living.

ARMA LESSEE ADVISORY NOTE 17: CONDENSATION

Condensation is a situation where moisture is deposited on cooler surfaces, such as external walls of a building and frequently gives rise to the growth of mould (especially where sustained high humidity is present). Such organisms need pure water - as is produced by condensation - to sustain their life

WHAT CAUSES CONDENSATION?

Condensation can occur naturally as a result of changes in temperature or artificially by the actions of people themselves.

Air naturally contains water vapour (often referred to as "humidity") in varying quantities and its capacity to do so is related to its temperature - warm air holds more moisture than cold air.

In Britain, condensation in flats and houses is often a winter problem particularly where warm moist air is generated in living areas and then penetrates to the colder parts of the building. However it does not have to be, for as long as the air is cooled sufficiently below its Dew Point by the colder surface it comes into contact with, moisture will be released.

In order to have condensation, moisture must be present in the air and this can come from a number of sources within a house. Water vapour is produced in relatively large quantities from normal day to day activities - a 5 person household puts about 10 kg of water into the air every day (without taking into account any heating) -

- breathing (asleep) 0.3 kg
- breathing (awake) 0.85 kg
- cooking 3 kg
- personal washing 1.0 kg
- washing and drying clothes 5.5 kg
- heating - especially paraffin and flueless gas heaters. For every litre of paraffin burnt over one litre of moisture vaporises into air. Every carbon fuel produces some amount of water from combustion. (1 kg of water equates to about 1 litre)

Moisture can also be drawn from the structure of the building into the internal air; from below the floor or through the walls/ceilings. Buildings can often lack or have insufficient airbricks to allow adequate ventilation of the accommodation and structure.

The effect of moisture "generation" is made worse by keeping the moist air in the property. Usually in certain areas of a property (such as bathrooms and kitchens) the warmer air contains a lot more moisture than other parts of the building.

NEW HOMES

The materials used to build a house, for example mortar and plaster, contain a lot of moisture which gradually dries out as the home is occupied and heated. However, this can take some time. This is why newly built houses can be especially prone to condensation; they may not have dried out from water remaining after building work. It usually takes 9 - 18 months for this to happen and owners may need to use more heat during that time. If you have moved into a new home you should take steps to prevent damage during the drying out process. See the advice leaflets from the National House Building Council listed below.

MOULD

One of the most common visual effects of condensation – apart from water being deposited on cooler surfaces – is that of mould growth. This will often look like 'black spots' (although it will completely cover a surface when conditions are right).

For mould growth to occur there needs to be a sufficient amount of clean water available (in relatively humid conditions) for extended periods of time.

Mould can be removed by washing down with a bleach type solution and special paints can be applied which may help prevent growth of mould but the only permanent cure is to reduce the amount of condensation in a property.

WAYS TO CONTROL CONDENSATION

There are three primary measures that can be taken to prevent condensation. These are to:

1. Increase ventilation – to remove moist air from the building and not allow it to come into contact with cold surfaces
2. Increase insulation – to prevent a cold surface reaching below Dew Point
3. Maintain consistent heating – to prevent the structure to become cold

PRACTICAL THINGS YOU CAN DO

- Leave some background heat on through the day in cold weather. Most dwellings take quite a long time to warm up and it may cost you more if you try to heat it up quickly in the evening.
- After a bath or shower, try to ventilate the room to the outside, not to the rest of the property - just opening a window or the extractor fan (and closing the door) will help.
- Ideally dry clothes out of doors. Where this is not possible, dry them in a cool area of the house or flat. Whilst this will take longer, less moisture can be held in colder air and with good ventilation, the risk of condensation is lower.
- When people come in with wet coats, hang them outside the living area to dry.
- Try to increase the change of air in the premises - increase ventilation. Trickle vents can be added to double gazed units
- Add forced ventilation/extraction to areas which produce a lot of moisture (kitchens and bathroom). Extractor fans are available with an air-moisture switch so that they operate automatically while the moisture in the air is above a set amount. Other units called heat exchangers (more expensive/complicated) are available which remove the moist air and reuse the thermal energy within it which would otherwise be wasted.
- Consider using a dehumidifier - domestic types are now available and can remove a surprising amount of water from the air.
- Don't overfill cupboards and wardrobes. Always make sure that some air can circulate freely by fitting ventilators in doors and leaving a space at the back of the shelves.
- Do not use paraffin or LPG heaters. They are probably not allowed in flats.

If condensation still persists there are still some other changes to try.

- Simple secondary glazing consisting of little more than a sheet of glass (or plastic) screwed to the window frame with a seal in between can be fitted. This is relatively cheap. Fixed secondary glazing must not be installed on all opening windows in a room as some ventilation is essential. DIY kits are available which allow the secondary glazing to be temporary removed or opened to allow the original window to be opened for ventilation.
- Alternatively new double-glazing windows can be considered. Although much more expensive than simple secondary glazing, there are additional benefits; existing wooden or metal windows will need continuous maintenance and repair - with new double glazed windows, you get new window frames which will probably be low maintenance or maintenance free.
- Some decorative materials always have cold surfaces, (i.e. ceramic tiles, mirrors etc.) and are well known for the formation of condensation. There is not much you can do where this occurs other than keeping the room (and so the tiles) evenly heated throughout the day or improve ventilation.
- Some wall surfaces can also be a problem. Where the wall is papered the situation may be made worse if there are many layers of paper, (this can just act like blotting paper). All the layers should be stripped and the wall re-papered.
- Things can also be improved by lining the wall with thin expanded polystyrene (normally available from a wallpaper stockist) before you hang new wallpaper.
- Painted walls can also have a cold surface. If you do not want to paper it, consider lining it with wooden paneling or another material such as cork tiles.
- Ceilings under the roof will suffer from condensation if the original construction of the block does not provide any roof insulation. If there is no or little roof insulation, additional insulation should be installed and a false ceiling with insulation can be installed. For some groups of people, there are financial grants in the UK for such work - check with the Local Authority or advice centre for details. Additional insulation will not only reduce condensation, but also reduce energy loss and so save money.
- Where ceilings have a high gloss finish, consider covering with expanded polystyrene, cork or fibre tiles; alternatively wooden paneling can be installed.
- Solid floors (i.e. a slab of concrete) are often cold because of their large thermal mass (they take a long time to warm up). Even vinyl floor tiles tend to be cold. However there are warm flooring alternatives available such as cork or cushion tiles.

It is unlikely that a British home can be condensation free, however by keeping your property properly maintained and thinking about your lifestyle and decoration, you should be able to live with condensation without it ruining your life.

FURTHER INFORMATION

- The National House Building Council publishes a guidance note on condensation in the home. Download from: http://www.nhbc.co.uk/NHBCPublications/LiteratureLibrary/HomeownerDocuments/filedownload,15900,en.pdf
- The National House Building Council also gives advice on how to deal with condensation in new homes in its publication a Guide to Your New Home. Download from: http://www.nhbc.co.uk/Homeowners/Problemswithyourhome/Makeaclaim/PDFs/filedownload,31929,en.pdf

NB: Some of the improvements described above may need permission from your managing agent or freeholder, or in some cases your local council (e.g. if the building is listed). You should check, in the first instance, with your managing agent before doing anything.

Association of Residential Managing Agents Limited (ARMA)
178 Battersea Park Road, London SW11 4ND
Tel: 020 7978 2607 Fax: 020 7498 6153
Email: info@arma.org.uk Website: www.arma.org.uk

Whilst every effort has been made to ensure the accuracy of the information contained in this Lessee Advisory Note, it must be emphasised that because the Association has no control over the precise circumstances in which it will be used, the Association, its officers, employees and members can accept no liability arising out of its use, whether by members of the Association or otherwise. The Lessee Advisory Note is of a general nature only and makes no attempt to state or conform to legal requirements; compliance with these must be the individual user's own responsibility and therefore it may be appropriate to seek independent advice.

The specialist property managers

Premier Estates manages in excess of 10,000 homes in developments ranging from large inner city mixed use complexes to small blocks of flats in established residential locations

premier ESTATES

E: info@premierestateslimited.com
www.premierestateslimited.com
Chiltern House, 72 - 74 King Edward Street, Macclesfield, Cheshire, SK10 1AT
Call: 0845 491 8899

town&city management limited

Specialist Residential Leasehold Property Management

ARMA

T: 01325 389689 F: 01325 389789
www.townandcity.com E: mail@townandcity.com

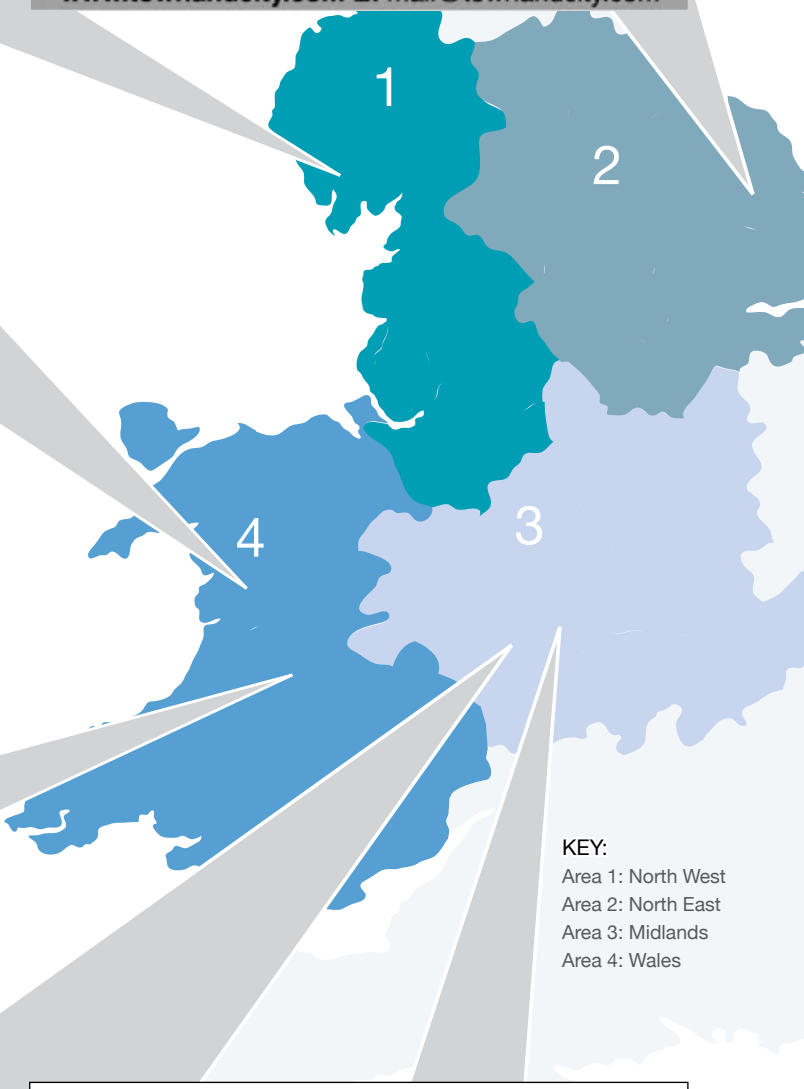
WESTERN PERMANENT PROPERTY

WPP

Managing properties throughout South Wales

ARMA

T: (029) 2023 5151 F: (029) 2066 8806
E: info@wppmc.com
www.wppmc.com
46 Whitchurch Road, Cardiff, CF14 3LX



KEY:
Area 1: North West
Area 2: North East
Area 3: Midlands
Area 4: Wales

PROPERTY MANAGEMENT SERVICES

Providing a straightforward, flexible and professional approach to property management.

Galbraith PROPERTY SERVICES
Call **08452 571164**
galbraithproperty.com

Northampton / Birmingham / Cardiff / Newport / Bournemouth / Bristol

Pennycuick Collins
Chartered Surveyors

We are specialists in
Residential Service Charge Management
throughout the West Midlands

ARMA RICS

www.pennycuick.co.uk
9 The Square, 111 Broad Street, Birmingham, B15 1AS, 0121 665 4150

MetroPM
Chartered Surveyors • Property Managers

When choosing your property manager the last thing you want to do is take a chance.

For unrivalled service, quality and expertise call MetroPM.

Birmingham office 0121 428 4747
Cheltenham office 01242 231 261
www.metro-pm.co.uk

Where now for leasehold?

Debating leasehold issues: a heated discussion during the panel session

Flat Living reports from November's conference, where more than 500 delegates heard how ARMA aims to tackle the void created by the Coalition Government's policies on residential leasehold property

The 2010 ARMA Conference was held at the QEII Conference Centre in Westminster. The 500-plus delegates attending the event manage around a million leasehold flats in 40,000 blocks, representing the majority of the managed sector. BBC TV presenter Martin Roberts moderated the proceedings and ARMA's newly appointed chairman Peter Dening (see interview on page 33 of this issue), welcomed delegates in his opening address.

David Hewett, ARMA's chief executive, kicked off by giving an overview of today's property management sector. He assessed ARMA's present contribution to the market and looked to the future, explaining what the Association will be doing to fill the gaps created by the government's decision not to introduce statutory regulation or accounting regulations to protect lessees' funds. David spoke of how ARMA is working closely with other significant bodies such as the RICS and the ICAEW to drive up standards for the benefit of everyone in the sector and was able to announce the launch of the AssocRICS qualification in residential property management. AssocRICS is an assessment of practical competence and the introduction of a property management route will ensure there is a healthy influx of new blood into the profession while providing a career path for experienced professionals to meet the future needs of their clients.

LEGISLATION UPDATE

With the recent announcement by the Coalition that they do not intend to regulate or introduce accounting regulations, John Mills' (ARMA's Technical Officer) legislation update might have seemed a little redundant. But this is the leasehold sector and there is always plenty of proposed legislation to anticipate and debate. John previewed to delegates those aspects of the legal landscape that are likely to affect them in future, while encouraging them to be well prepared for the coming year. He then outlined the new joint guidance on service charge accounting that ARMA is working on with the ICAEW and RICS to help improve standards (the consultation document can be downloaded from www.arma.org.uk). Other important updates from John were on revised Section 20 guidance by ARMA and LEASE (also available to download freely from www.arma.org.uk); VAT increases and common parts; the impending clamping legislation (and how ARMA is lobbying against this); and money laundering.

BE LEASE-AWARE

ARMA's honorary solicitor Mark Timberlake from Laceys took to the podium next to give delegates an insight into the most important elements to be aware of in a lease. He focused particularly on interpreting and managing difficult clauses. Mark used his experience as a solicitor to outline typical problems arising from nightmare leases, and how managing agents can deal with these and work to minimise the risks to their clients arising from badly worded clauses. Mark was followed by Neil Maloney of My Home Surveyor who gave delegates advice and guidance on how to prepare for site visits and avoid health & safety pitfalls by using some case studies from his own experiences as a surveyor. This session was followed by a detailed look at the LVT and upper chamber processes from the point of view of a property manager, barrister and LVT panellist.

INNOVATION AWARD

The 2010 Conference saw the presentation of the first ARMA Innovation Award to a member firm. The purpose of this award is to recognise and encourage innovation within the residential leasehold sector. An independent judging panel of Baroness Diane Hayter, ex-chair of the Property Standards Board, Ian Fletcher, director of the British Property Federation and Liz Black, head of property sector Asset Skills chose Rendall & Rittner as the winner. Out of the seven excellent entries, Rendall & Rittner were chosen for their development of a sustainability policy which has subsequently been updated and expanded over the last 18 months. The foundation for this was the government definition of a sustainable community: active, inclusive, well run, thriving and environmentally sensitive. As managing agents, Rendall & Rittner believe they can have a positive impact in all of these areas and have developed a wide range of sustainability initiatives which they are continually looking to develop and expand.

Topics covered during the afternoon session included the need for proper training and support for new property managers, maintaining and providing a specialist service out of the ruins of recession and an overview of the law relating to employment of illegal immigrants.

REPRESENTING YOUR VIEWS

One of the highlights of the day was the panel session which rounded off the conference, giving delegates the opportunity to air their concerns and opinions. RMC director Alan Walker championed the lessee - an ideal forum - in a room filled by more than 500 property managers! In fact Alan turned out to be the star of the show, wittily offering feedback, solutions and opinions to the questions and views put forward by delegates. The consumer element of the panel was further strengthened by the presence of Baroness Hayter, balanced by Ben Jordan of property management company Premier Estates and Ian Fletcher of the British Property Federation.

The 2011 conference will take place on 5 October.
Go to www.arma.org.uk for more details.

Property Management....
The Right Way....
T: 01920 877 458
F: 01920 877 066
Merlin Estates
(South East) Ltd
Covering London, South East Region, South West Region, Home Counties, East Anglia and many more.
29 The Maltings, Roydon Road, Stanstead Abbotts, Hertfordshire, SG12 8HG
info@merlin-estates.com www.merlin-estates.com

North Central Londo
North West London
South West London

We're the specialist property managers for some of the most exceptional London developments, along the north bank of the Thames from the City boundary through Wapping, Limehouse and Docklands and from Southwark to Greenwich in the south.
020 3117 2600
info@stonedale.co.uk
www.stonedale.co.uk
stonedale
property management
Expect the best.
Welcome to Stonedale.
ARMA

Pembertons
Property Management
Pembertons are a specialist property management company that provides management services for quality residential blocks of apartments and privately owned housing estates in Central & North West London.
Property Management With Distinction
ARMA
T: 020 7483 8429 E: customerservices@pembertonspm.co.uk
www.pembertonspm.co.uk

MERJS
CHARTERED SURVEYORS
For helpful advice from an experienced chartered surveyor about extending your lease or buying your freehold please contact:
Malcolm Bailey BSc(Hons) MRICS ACIArb
T: 020 7079 3973
E: malcolm.bailey@merjs.co.uk

WILSON
HAWKINS
PROPERTY MANAGEMENT
ARMA
ASSOCIATION OF RESIDENTIAL MANAGING AGENTS
Residential Block Managers throughout North West London
since 1970
enquiries@wilson-hawkins.co.uk
www.wilson-hawkins.co.uk
33-35 High Street, Harrow on the Hill HA1 3HT
020 8422 3333

Looking for Estate Management
30 years in the business gives us an understanding of what works. Whether we take on an existing property or help out from early in the planning process, our experience can make a real difference.
Contact us today for a specification and quotation
Call 020 8739 2150 Email propman@kfh.co.uk
Kinleigh Folkard & Hayward
kfh.co.uk

ALTRIST
BESPOKE BLOCK MANAGEMENT SERVICES
Our Services Include:
Service Charge Administration
Professional Accounting
Right to Manage Setup
Freehold/Leasehold Advice
Energy Assessments/
Energy Performance Certificates
Contact us for more information on how we can help or to arrange a visit and free estimate:
P: 0808 108 8012
E: info@altrist.co.uk
www.altrist.co.uk
London Based Residential Block Management Company Specialising in Managing Blocks of Flats and Energy Assessments
Are you happy with the way your property is managed?
We can help.

The UK's Leading Independent Managing Agent
ARMA
Central London:
2nd Floor
114-116 Rochester Row
London SW1P 1JQ
Head Office:
Marlborough House
298 Regents Park Road
London N3 2UU
T: 020 8371 7070
E: post@crabtreeproperty.co.uk
www.crabtreeproperty.co.uk
Crabtree
Property Management
Our portfolio covers:
the South East Region, London & the Home Counties, East Anglia, Wales and more....

Well connected
Professional Block & Estate Management in London since 1948
gordon&co MANAGEMENT
6 London Street, W2 1HR 0207 724 4477
management@gcmanagingagents.co.uk
www.gcmanagingagents.co.uk
Offices at Battersea, Tower Bridge, Paddington.

QUALITAS
Residential
Professional Responsive Friendly
1 Birch Tree Walk
Watford
Herts, WD17 4SH
info@qualitas-residential.co.uk
01923 211331
ARMA
ASSOCIATION OF RESIDENTIAL MANAGING AGENTS

If you wish to avoid the headaches of running your block and would like a managing agent to deal with all the administration, yet still be in control, We can offer you a personal and professional service. We also have expertise in service charge disputes and leasehold enfranchisement.
Colin Cohen Property Management
You can contact us on:
Tel: 020 8959 6870 Fax: 020 8959 9967
Email: ccpm@talk21.com
21 Oakdene Park, London N3 1EU
ARMA
ALEP

LMS
The Comprehensive and Proactive Property Management Service
Leasehold Management Services Limited
Tel: 01494 464 333
Fax: 01494 521 427
Email: info@lmsflats.co.uk
5 Priory Road : High Wycombe : Buckinghamshire HP13 6SE

JPS Jakes Property Services
A friendly, customer focused company specialising in residential block management.
ARMA FSA
Tel: 01277 651432 Fax: 01277 654258
E: info@jakesproperty.co.uk www.jakesproperty.co.uk
The Cottage, Kennel Lane, Billericay, Essex CM12 9RR

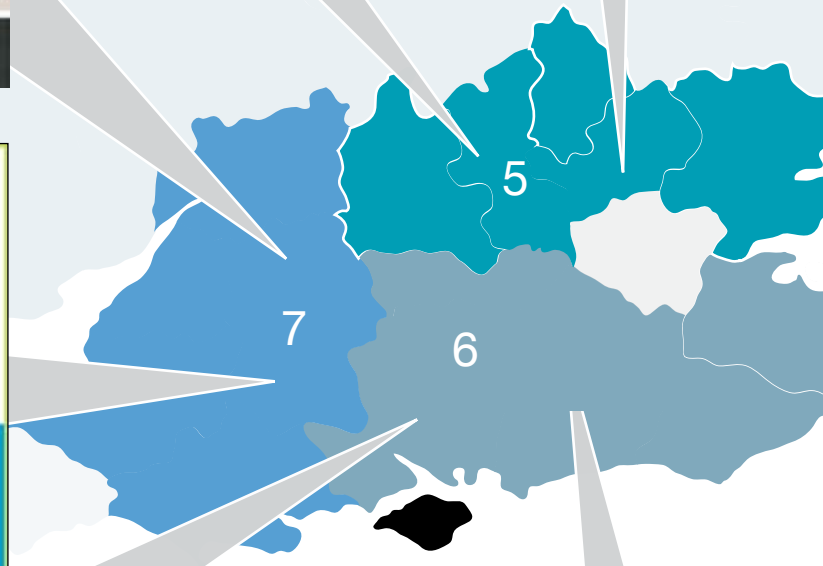
HILLCREST ESTATE MANAGEMENT
Residential Block Management Specialists
FSA ARMA
Call: 0117 973 0600

CEM
Chilton Estate Management Ltd.
Property Management Specialists
YOUR PROPERTY, OUR BUSINESS
info@chiltonestate.com
www.chiltonestate.com
T: 01225 442431 F: 01225 469328
6 Gay Street, Bath BA1 2PH

cpm concept property management
ARMA
HAVING PROBLEMS?
BUT GIVEN NO SOLUTIONS?
HOW ABOUT A NEW CONCEPT?
info@concept-property.com www.concept-property.com
T: 020 8916 2468 F: 020 8916 2477

MARLBOROUGH House Management
The Essentials of Property Management
www.m-h-m.co.uk
Marlborough House Management provides a select range of property management services on behalf of landlords and an accounts-only service for Resident Management Companies.
Tel: 0845 450 6022 (lo-call) E-mail: newbusiness@m-h-m.co.uk

KEY:
Area 5: North Thames
Area 6: South Thames
Area 7: South West



New year, new plans, new chairman

ARMA's new chairman *Peter Dening*, tells *Flat Living* about his plans for the year ahead

Peter Dening first became involved in residential block management in 1978 when he worked for James & Lister Lea in Birmingham. When he joined Pennycuick & Brown in 1987 he took sole responsibility for the service charge portfolio and has been doing that ever since, although the firm now has a much larger team. "My background has always been in management and I have always found the residential element to be the most interesting," he says.

So when did Peter first become aware of ARMA? "I attended my first conference in 1999 and quickly recognised the importance of ARMA to the work I was doing," he says. Pennycuick & Brown joined the association in 2000 and Peter soon became involved, first with the Accounts Committee and then chairing the Technical Committee.

As chairman of ARMA, Peter Dening is eager to continue what he considers the "excellent" work of his predecessor, Brett Williams. "Given that our members manage over 80% of all blocks of flats under professional management we have an important role to play in ensuring the leasehold system works and is workable. I see my role as one of overseeing the process of continually improving standards of service to our members' clients and their customers, the lessees", says Peter. The new chairman is also keen to ensure that ARMA continues to enhance the support provided to members through one-on-one technical advice, guidance notes, training courses and other events.

Having been involved in the leasehold management sector for 35 years, Peter's experience has taught him that good communication and delivering what is promised are key to building a successful property management business. These will be his personal messages to ARMA members and their clients. However, he is also keen to emphasise that successful block management is a two way process: "Leasehold managers cannot work in a void, their clients must play their part by giving clear directions and support to their managers", he says.

Peter recogises that there are a number of difficult challenges now facing managing agents. "The current economic climate is not pleasant for any of us and there are still serious uncertainties to be confronted," he says. "If inflation continues, pay freezes persist and unemployment rises, some of the two million leaseholders are going to experience difficulty meeting their obligations to pay their service charges." Peter explains that this creates a vicious circle whereby some lessees do not pay their service charges and so certain services have to be curtailed. "This leads to other lessees refusing to pay their charges and so you spiral downward", he warns.

And what of the regulatory environment for the leasehold sector? Peter has strong views on this subject. "Grant Shapps, the housing minister, has decided statutory regulation is not necessary. That being said, leasehold has more legislation and regulation to deal with than any other part of the residential sector. The minister has also decided the regulations on accounting for lessees money were not necessary either", says Peter. ARMA disagrees with the government's stance on regulation and is taking action to fill the void the organisation believes the government has created.

Peter explains: "At our conference in November (see page 29 of this issue) we announced that we would be revisiting our regulatory regime to see if it needs further enhancement. We also announced the new accounting guidance produced by the Institute of Chartered Accountants in England & Wales, produced with the full input and cooperation of both ourselves and the RICS". To find out more go to www.arma.org.uk.

So what issues will ARMA be campaigning on or pursuing with government in the coming months?

Peter explains that despite the government's disinclination to even look at current leasehold issues ARMA, together with a number of other stakeholders, will continue to put on record with the housing minister issues that the sector believes really are deserving of his attention. However, he is adamant that there is one area which, on paper at least, the government should find irresistible; independent redress for all tenants and leaseholders. "The coalition seems content to leave in place the mandatory requirement for estate agents to belong to an Ombudsman Scheme, so why not add lettings agents and leasehold managers to this regime. The templates and codes are already in place so it is not exactly rocket science! " he says.

> LEASEHOLD MANAGERS CANNOT WORK IN A VOID, THEIR CLIENTS MUST PLAY THEIR PART BY GIVING CLEAR DIRECTIONS AND SUPPORT TO THEIR MANAGERS

On a more mundane yet equally important note, ARMA will continue to campaign hard against the government's decision to ban the clamping or towing away of illegally parked cars on privately owned leasehold property. "It goes without saying that the implications of such a ban will be far reaching and largely undesirable for lessees with private parking areas so ARMA will be doing all it can to try to persuade the Secretary of State for Transport to think again before introducing this legislation," says Peter.

Finally, what will the new chairman be doing to raise the profile of ARMA within the property industry and the wider public arena?

Peter believes that within the property industry, both in the UK and Europe, ARMA's profile is "pretty high" as it works with organisations such as the RICS, Institute of Residential Property Management, the Federation of Private Residents Association and the British Parking Federation among others.

However, in the wider public area, he hopes that during the next year ARMA can substantially add to the information already provided to directors of Residents Management Companies and lessees. "More information means more understanding and more understanding leads to greater harmony in the properties ARMA members manage," Peter concludes.

Don't put off property repairs

Cash-strapped lessees are putting off essential maintenance works on their properties and risk creating a maintenance time bomb, says *Michael New*

Anecdotal evidence suggests that almost a third of property managers have been asked by lessees to delay essential repairs in the past 18 months, as they struggle to make ends meet. This means a backlog of jobs that could be turning from simple tasks, fixed quickly for small amounts, into major repairs costing tens of thousands of pounds.

Worryingly, at a time when every penny counts, many of those spending cash on their homes are shelling out on the wrong jobs that just paper over the cracks, instead of looking at underlying work that keeps the property standing.

Landlords are keeping costs down by opting for cosmetic jobs to make the property look attractive. A quick lick of paint and some wallpaper may give an immediate lift but without checking what lies beneath that could be an expensive mistake.

There is an increasing trend for people to deal with smaller jobs themselves and put off bigger jobs. Looking after cosmetic things and finishing touches, rather than structural problems, is fruitless and could end up costing an awful lot of money. Water damage is a major problem. Leaving water running down the face of a property from a leaking roof or guttering can be catastrophic. It could cause moisture problems – and unattended that can generate dry and wet rot which will cost a fortune to put right. With water problems it is absolutely essential the affected area is dried out and treated properly to prevent it spreading and creating havoc."

A burst pipe or a flooded drain leaking into a roof compartment will result in an average £1,450 worth of damage, but serious issues such as subsidence, damp and foundation problems can be caused just by water left gathering around a property over a period of time.

"People may not notice a missing roof tile as they don't often look above ground level on their home. It's a good idea to give your property the once-over or ask an expert for maintenance advice," adds Michael.

As well as ignoring important tasks, those looking to do things on the cheap are tackling jobs themselves – often with disastrous results. For example, a Santander survey carried out in 2010 revealed that up to £331 million is wasted on DIY disasters each year. While hanging wallpaper upside-down or spilling paint on the carpet may be costly and irritating, there are some real dangers lurking.

When it comes to electrics or major construction work, you really must call in the experts. Regulations now mean it is illegal to carry out electrical work unless you are a government-approved electrician.

The key is to nip things in the bud before they become serious. Your home is the biggest investment you will make and it's vital you maintain it. What you can't do is simply hope that problems go away by themselves. Maintenance never sorts itself out without intervention.

Always ensure the contractor you appoint to do work on your property is qualified and insured to carry out the maintenance work you have contracted them to do. Most property managers should be able to recommend or help in this matter.

Michael New
Operations Manager, ProTech Property Solutions

Don't be a DIY disaster

If you are carrying out repairs around your home, make sure you don't put yourself in danger by following Flat Living's simple safety tips.

- Plan your DIY job before you start and allow enough time to get it done. Make sure you have the right tools for the job and don't use tools that are broken or need repairing.
- Read the instructions and heed safety warnings, especially if you are using tools/equipment for the first time.
- Keep water away from power tools and electrical appliances and use a circuit breaker.
- Protect yourself by wearing appropriate clothing and footwear. Tie back long hair and take off your jewellery. Wear sensible shoes and never work in bare feet.
- If you are painting, or using any product that gives off fumes or dust, keep the windows open.
- Beware of old paint which can give off poisonous dust. Don't burn off or rub down with dry sandpaper or a power sander. Always wear a mask, keep small children away from the area in which you are working and clean up properly afterwards.
- Don't forget that Artex and textured paint can contain asbestos – always wear a mask and take advice if you suspect asbestos is present.

Stay safe and warm this winter

The snow may have melted, but many of us are still experiencing cold weather. Here are our tips for keeping yourself and your flat warm - and avoiding insurance claims

Provisional statistics released by England's Fire and Rescue Services in December, show that in 2009/10 nearly 2000 fires were started by electric blankets, candles or portable heaters, resulting in more than 400 injuries and deaths. To try and prevent such tragic accidents, the Fire Kills Campaign has released this commonsense advice to help you reduce your fire risk this winter.

- Always use a fire guard to protect an open fire against flying sparks and hot embers and make sure embers are under control and properly put out before you go out or go to bed.
- Keep portable heaters away from curtains and furniture and never use them for drying clothes. Always unplug electric heaters when you go out and go to bed.
- Every year, around 440 injuries result from every 1000 fires started by an electric blanket so unplug blankets before you get into bed, unless they have a thermostat control for safe all-night use.
- Never use hot water bottles in the same bed as an electric blanket, even if the blanket is switched off.
- Store electric blankets flat, rolled up or loosely folded to prevent damaging the internal wiring.
- If you use candles in your flat, make sure that they are secured in a proper holder, and are kept away from flammable materials like curtains and sofas.
- Put candles out completely when you leave the room or go to bed.

For further information on fire safety go to www.direct.gov.uk/firekills or contact your local Fire and Rescue Service to arrange a free Home Fire Risk Check. A fire safety officer will be happy to visit your flat to assess the potential fire risk in your home and advise you on using smoke alarms.

DON'T BE A VICTIM OF BOGUS TRADESMEN...

The Trading Standards Service is urging homeowners to be aware of rogue traders operating in their area, particularly in cold weather when unscrupulous tradesmen may spot an opportunity to pressurise householders to hand over cash by convincing them that their homes require immediate work. This applies equally to RMC directors as to individual homeowners.

Trading Standards advises that you:

- are wary of warnings about the state of repair of your block;
- don't hand over large cash deposits;
- never pay for work up front;
- don't agree to a trader starting work immediately;
- take time to consult with a fellow leaseholder/director before deciding to go ahead with repairs – a reputable trader will expect you to take time to come to a decision.

...AND KNOW YOUR CANCELLATION RIGHTS

Where goods or services cost over £35, you are entitled to a seven day cooling-off period during which you can cancel a contract. By law, sellers must provide a prospective customer with written notice of their right to cancel, along with a cancellation form. If traders do not comply, any contract agreed with you will not be legally binding and the trader will be committing an offence.

If you feel that you've been the victim of a scam, or a potential scam, report it to Consumerline on tel: 0300 123 6262 or go to the Consumerline website at www.consumerline.org

- Wear a dust mask, gloves and goggles if you are sawing or working with glass or spray paint.
- Use ear plugs when drilling.
- Use ladders with care – falls cause the majority of DIY-related accidents in the home. Always rest your ladder on a clean, solid surface and don't lean to one side. Don't over-reach - move the ladder and never struggle with a ladder on your own. Get help.
- Keep your tool box tidy and use the guards on saws, knives and chisels.
- Make sure you have access to a First Aid kit.
- Keep a chemical fire extinguisher in the house – never throw water on an electrical fire.
- If you run out of time, come back to the job later. Don't take short cuts and never attempt a job when you are feeling tired.
- If you can't finish a job don't be embarrassed to call in an expert.
- Leave gas problems and electrical installations to the professionals.

Selling? Don't ignore damp, pests and dodgy DIY

UK homebuyers polled by Post Office Mortgages this winter, say they would be turned off by signs of damp, pests and botched DIY when viewing potential properties to purchase, So if you want to sell your flat, find the source of any bad smells, ditch those old carpets and get an expert in to do those tricky DIY jobs rather than tackling them yourself..

The newly published research also revealed what is most likely to entice people to buy a property, with a new kitchen, new bathroom and just being clean and tidy making up the top three. The Post Office Mortgages study also cited original features, wooden floors and modern appliances as significant turn-ons for homebuyers.

Risky Business: is your RMC risk-aware?

Blue Risk highlights the importance of health and safety and explains why risk management of your building is an essential part of the role of the property manager, director or RMC

When managing a residential block, there is a tendency to fall into the 'it won't happen to us' syndrome. However, assessing and dealing with potential risks is a vital part of keeping residents and their visitors comfortable and safe in their homes. As this article will make clear, it is vital to manage risk effectively and to be aware of the property manager or RMC's legal/regulatory obligations.

A FIRE RISK ASSESSMENT is a very important tool for protecting employees, residents, visitors or any members of the public that visit your property. The aim of such an assessment is to enable you to focus on any risks that have the potential to cause harm.

A HEALTH AND SAFETY RISK ASSESSMENT is also equally important as there are a number of cases where RMC directors and managers/agents have been personally prosecuted for failing to deal with serious health and safety risks which have resulted in accident or injury to other persons.

MAKE A START

The most important thing is to have tackled the problem and have risk assessments put in place by a competent person or company. There is a lot of free advice available on DIY risk assessments to help you. To ensure premises' risks are managed effectively, the responsible person or risk assessor must first identify the hazards that could result in significant injury to employees, residents, visitors or members of the public and then generate a clear comprehensive report of their findings.

WHAT DO I DO NEXT?

All recommendations made by the person carrying out the assessment must be acted on and a good risk assessor will clearly identify the importance of each risk item on any assessment document and will clearly state whether or not there is an urgent risk that requires immediate attention. The risk assessor should then set clear guidelines and timescales for any work to be carried out. Not acting on items identified on a risk assessment could be seen to be worse that not doing one at all!

HOW MUCH WILL IT COST?

Although we appreciate there is a cost benefit to DIY Risk Assessing, at Blue Risk Management we strongly believe that you cannot put a price on the cost of prevention of injury or death. We advise that you instruct an experienced, qualified and professional company with adequate insurance and a good track record. The cost of your assessment will depend on the size of your block, and how much work is involved. An average cost will be £20 per flat/apartment. Remember the cheapest are not always the best.

HOW OFTEN SHOULD RMCS REVIEW THEIR RISK ASSESSMENT?

Although legislation does not provide for the frequency of assessments, we would suggest any responsible management company or RMC to ensure that full health and safety and fire risk assessments are carried out every year.

Blue Risk Management is offering a 10% discount to all Flat Living customers who order Risk Assessments in February and March 2011.

Dean Warren Senior Risk Assessor
0800 083 3472 or email: info@blueriskmanagementuk.com
www.blueriskmanagementuk.com.

Fire safety: don't take the risk

The Regulatory Reform (Fire Safety) Order 2005 came into effect in October 2006 and replaced more than 70 pieces of fire safety law. The legislation applies to all residential properties which have communal parts including blocks of apartments, houses converted into self contained flats and Houses in Multiple Occupation. The Order requires a fire risk assessment to be carried out on all communal areas of a building. It also requires there to be a fire policy in place for each individual block of apartments. The fire authority has the power to issue three types of notices to premises not complying. However, if the case is referred to the Crown Court, the penalty could be both an unlimited fine and imprisonment for up to two years.

Blueriss

MANAGEMENT UK LTD

Residential and Commercial Risk Management

Specialists in Health & Safety
& Fire Risk Assessments

Helping to ensure you conform
with current Health &
Safety & Fire Legislation

CALL NOW FOR YOUR FREE QUOTATION

DO WE NEED A FIRE RISK ASSESSMENT?

The Regulatory Reform (Fire Safety) Order 2005 came into effect in October 2006 and replaced over 70 pieces of fire safety law.

The Order has a large impact on landlords of residential properties and managing agents. The Act applies to all residential properties which have communal parts including blocks of apartments, houses converted into self contained flats and House of Multiple Occupancy.

The Order requires a Fire Risk Assessment to be carried out on all communal areas of a building. It also requires there to be a fire policy in place for each individual block of apartments.

The main enforcing body is the fire authority; they have the power to issue three types of notices to premises not complying, failure to comply with a notice or a duty under the order is an offence. The current maximum fine in the magistrates' court is £5,000, however if the case is referred to the Crown Court, the penalty is both an unlimited fine and or imprisonment for up to two years.

FREE Quotations

Discounts Available

Quote Ref: FL01/11

T: 0800 0833 472 F: 0845 3313 586

www.blueriskmanagementuk.com info@blueriskmanagementuk.com

The Leaseholder

Fancy a slice of quirky flat life? Or want to see how the other half live? Well you can here – in a new section we are calling The Leaseholder. It is open to receive a wide range of information about some of the less-demanding aspects of flat living. Sit back and enjoy. We look forward to hearing your views.

IN THE NEWS

"NOT EVERY BET IS GOING TO PAY OFF," SAYS GOOGLE

Google has dropped its property search function on worldwide maps. Six months ago, Google unveiled its property mapping function – and looked set to dominate the sector - however it was recently announced that plans would be shelved.

"This feature wasn't used as extensively as we would have liked, and proved difficult to maintain, so we've removed it," said a Google spokesperson. "Note that all Google Maps layers are not going away, just the real estate layer, which was our first foray with displaying vertical industry information via the maps interface."

The spokesperson continued: "This also allows us to prioritise resources and focus more on our core commitment to search, local search and building maps that provide a digital atlas of the real world. Google likes to experiment because we believe that's the best way to create ground-breaking products and features that make a difference in people's lives. But not every bet is going to pay off."

STAMP DUTY TAX INCREASES TO 5%

From 6 April 2011, those buying properties worth £1 million or more will see the amount they pay in stamp duty rise from 4% to 5%, but research from Investec among estate agents, property developers and mortgage brokers specialising in this market reveals that 52% expect this to have no impact on prices. Some 45% expect prices to fall slightly as a result of this, but none of those interviewed believe there will be a sharp fall as a result of this rise in stamp duty.

Jack Jones of Investec said, "The high-end property market appears to be quite robust to adverse changes in tax. This is probably because the market is still seen as being very attractive, with opportunities for both British and non UK buyers. The sector is very different to any other residential property market, and this is demonstrated in its recent strong show of resilience. Sales are still strong and demand for million pound plus properties although down, remains high."

To put the stamp duty rise into context, if you fancy buying that £6.75 million flat at One Hyde Park, the stamp duty alone will cost you almost £340,000!

SUPER-EXPENSIVE FLATS

One Hyde Park, the block of flats to beat all blocks of flats, was unveiled recently. Only for the super-rich and with an asking price upwards of £6,000 per square foot, the luxury development – designed by Lord Rogers and overseen by the playboy duo known as the Candy brothers (right)– is said to be the most expensive residential property in the world.

It is reported that one of the penthouses sold for £135 million – this is the price of living in decadent style with all the mod cons. As you can imagine, levels of security are high, with iris-recognition systems in the lifts, panic room (for when you put down your deposit!) and bullet proof glass. Fifteen different types of precious marble have been used in the construction and many an oak tree has suffered for the cause.

One Hyde Park has it all; a private cinema, a 21-metre swimming pool, saunas, a gym, a golf simulator, a wine cellar, a valet service, concierge and room service from the Mandarin Oriental next door. The cheapest property in the building, a one-bedroom flat, is said to cost £6.75 million, with developers claiming that the majority of apartments cost between £27 million and £33 million.

Even the service charge would make your eyes smart a little – £150 per square metre per year. On this basis some owners can expect to pay more than £100,000 annually. Ouch!

IN FOCUS

Flat Living compares prices in two of the UK's biggest cities

FLAT PRICES IN MANCHESTER

Online estate agency portal homes4you, reports that prior to 2010 there was little cause for optimism for flat prices in Manchester. Flat prices have been falling since 2007, and at a much faster rate than other types of property. The beginning of 2010 however, told a different story. Prices were up 10% on the year before due to strong demand, and offers were consistently very close to the asking price.

Unfortunately these good times were short lived. The new government brought with it uncertainty over jobs and a whirlwind of pessimism, funding cuts, and warnings of tough times ahead. The national press was particularly negative, and by August, all this began to impact on the Manchester property market.

Prices suffered, dropping approximately 8-9% from August until now, hitting those hoping to sell. A stunning flat in Ancoats was put on the market in January this year for £144,950, and the seller turned down an offer of £138,000 optimistic for more. As the market started to decline, the property price had to be reduced a couple of times, and the vendor is now offering the property for £129,950 - a reduction of more than 10%!

This does of course put investors in a good position. homes4u has experienced a surge in enquiries for blocks of flats, particularly those suitable for use as student accommodation, as well as part-developed sites and land. First-time buyers are also taking advantage of low prices by finding inventive routes into flat ownership, such as clubbing together with friends or turning to parents for financial support, to help give them that first step onto the property ladder.

Let's keep our fingers crossed that this trend continues to increase into 2011, and it is a better year for funding and sellers alike!

FLAT PRICES IN LONDON

Accordiing to Robert McLaughlin, Regional Sales Director at Kinleigh Folkard & Hayward, in London, flats were consistently popular with investors, first time and overseas buyers. They made up 60% of all property sales for Kinleigh Folkard & Hayward in 2010. The London property market continually fluctuates and subsequently the first half of 2010 produced a strong number of property sales while the second half of the year was lower. The Land Registry's November 2010 figures alleged that London had the greatest growth in the UK with an increase in property prices of 6.8% in 2010. These figures demonstrate the strength and resilience of the London property market compared to many other cities in the UK.

Though resilient, flats for sale in London under £300,000 are facing a tougher market. This is due to tighter lending criteria and lack of deposits for many first time buyers. Though some first time buyers are yet unable to step onto the property ladder, buy to let and overseas investors are continuing to purchase and support the flat sales market.

Currently Kinleigh Folkard & Hayward are experiencing the same level of buyers as in January 2010, and predict the number of properties sold in 2011 will be at a similar level to 2010.

INDOORS AND OUTDOORS

Flat Living interviewed *Keith Edgar* to get the low down on retirement flats.

WHY DO PEOPLE BUY RETIREMENT FLATS?

For a number of reasons, but generally to enjoy independent living - your age is only a number on your birth certificate, it doesn't mean you want to stop enjoying life. Retirement properties offer you the benefit of owning your own property without the difficulties that go with it. People often want to move to be nearer to family, and this rolled up with being able to meet and mix with other people of similar age appeals to many.

WHAT ARE THE BENEFITS OF INDEPENDENT LIVING?

One of the main things is the reassurance that there are people around you 24/7, says Peverel Retirement managing director Keith Edgar.

"Most retirement developments employ a house manager to run the property between 9am and 5pm," he says, "and 24 hour response systems offer the comfort of assistance from highly trained emergency staff who are able to handle an array of circumstances like illness or injury."

Also available are residents' lounges for meeting with friends, coffee mornings or other social events. Gardens and grounds are often available and are maintained by site staff, for people to enjoy without the workload. Other benefits include communal laundry, lift, car park and a guest suite for friends and family to enjoy when they visit.

Edgar adds retirement home ownership also offers the benefit of known costs, rather than having to finance repairs and maintenance as and when they occur. "The monthly service charge payments smooth out these costs," he explains. "This is very important when, as is the case in the current economic climate, many savings plans are not stretching as far as they were."

WHAT DOES THE HOUSE MANAGER DO?

The house manager enhances the quality of residents' lives at the same time as successfully and professionally managing and maintaining the development. A house manager offers empathy, discipline, consistency and a structured approach to handling the on-going needs of the development.

Edgar describes house managers as, "the unsung heroes of everything retirement properties offer".

WHAT DO SERVICE CHARGES INCLUDE?

Service charges are collected to pay for the general day to day maintenance and upkeep of the property. The money is collected from each resident and pays for insuring the block, maintenance, gardening and running the communal areas as well as paying for your house manager.

"Managing a retirement development is like running a small business," says Edgar. "Not everyone sees the work that goes into health & safety, book keeping and general business management, but the development would not be able to function without them."

The development's manager is also responsible for collecting reserve funds, which are then set aside for larger jobs like roof repairs, lift repairs and resurfacing driveways. Budgets are prepared and distributed to each resident, providing a summary of how the money is being spent.

The guest suite could be used to raise revenue for your development, so when friends and family use the facility, the payment goes into the development's funds which helps to keep residents' service charges down.

WHAT ASSISTANCE IS PROVIDED FOR EMERGENCIES?

Most retirement developments offer a 24/7 response facility, like CarelineUK, that can handle any emergency situation. At the time of an event the call handler has available an emergency contact list for each resident which will include friends and family members as well as details of local hotels and vets, in case of extreme emergencies.

WHAT OPTIONS ARE THERE WHEN YOU NEED MORE SUPPORT OR ASSISTANCE?

The alternative solution to independent living is assisted living. Assisted living offers a 24 hour house manager, on site. Assisted living suits people who are still able to live alone, however may require additional support services. On-site restaurants offer home cooked, fresh meals. Invariably hairdressers, coffee shops and exercise amenities are available.

WHERE CAN WE LOCATE A RETIREMENT FLAT?

Retirement Homesearch (go to their website at www.retirementhomeseach.co.uk) offers a one stop shop, which matches a database of people looking to buy a flat with people looking to sell their properties. As of January, the average price of a retirement flat was £125,000, says Edgar.

BRINGING THE OUTSIDE IN

GLASS HOUSE

The photos here are of a project completed by Cantifix in Southwark, London, on a penthouse flat. The project features large sliding doors and fixed glass panels, allowing the dramatic city view to become part of the living space.

As seen in the photos, the doors have been fitted with a flush threshold, which involves concealing the perimeter framework in the finishes of the door, to allow a seamless transition from inside to out.

The overall effect is very sleek and contemporary, and the living space now extends out onto the balcony, with a backdrop that is hard to beat.

Flat Living on the road

The first of *Flat Living's* Leaseholder Roadshows took place in London in November

Visitors to *Flat Living's* first roadshow at One Wimpole Street in Westminster, were treated to presentations from our team of experts who spoke on a broad range of subjects – all of interest to anyone living in or managing a leasehold property. The Leasehold Advisory Service and specialist insurer Residentsline also exhibited at the roadshow and received a high level of interest.

WHAT IS LEASEHOLD AND MANAGING YOUR BLOCK?

ARMA technical officer, Geraldine Shortall, gave visitors to the roadshow an overview of the leasehold market and the role of ARMA. Of the 6 million flats in England & Wales, 1.8m are privately owned, 720,000 self manage and 1.08m use a managing agent. Of these, 900,000 employ an ARMA member. ARMA exists to represent the interests of managing agents and their clients – leaseholders, landlords and Resident Management companies.

HOW TO EXTEND YOUR LEASE

Samantha Bone, a partner with commercial law firm Wallace LLP, gave attendees a clear insight into the process for acquiring individual lease extensions, explaining the formal process for tenants in residential blocks to acquire a 90 year lease extension on their properties.

Wallace works closely with surveyors to advise landlords and tenants on their respective rights. The company has extensive experience in this specialist area and handles hundreds of leasehold enfranchisement cases each year.

Chartered surveyor John Byers from Langley Byers Bennett explained how lease extension costs are calculated. LBB are a professional practice of chartered surveyors specialising in lease extensions, leasehold enfranchisement and building surveying as well as offering property litigation advice.

SERVICE CHARGE DISPUTES

Challenging service charges is complex and requires a detailed understanding of the subject. David Sillitoe from the Service Charge Company spoke to attendees at the roadshow on the reasons why it pays to consult the experts if you are unhappy with the charges being levied by your landlord.

LEASEHOLD ENFRANCHISEMENT

Graham Jaffe is a property lawyer heading up the leasehold enfranchisement team at commercial and private client practice Jaffe Porter Crossick. Graham explained lease enfranchisement versus Right to Manage, guiding roadshow visitors through this rapidly developing area of the law.

John Byers from Langley Byers Bennett followed Graham's presentation with details of how enfranchisement costs are calculated.

STAY HEALTHY – AND SAFE

Simon Cooke from Aviva Risk Management Solutions introduced visitors to all the important aspects of health and safety that residents in blocks of flats and RMC directors in particular should be familiar with. His presentation looked in detail at asbestos, gas and fire safety legislation, managing maintenance and carrying out risk assessments.

SERVICE CHARGE ARREARS

SLC Solicitors is a niche law firm specialising in the fast growing residential block management sector providing services to recover service charge and ground rent arrears. Alison Mclachlan explained how to instruct a solicitor, the way in which the debt recovery process works and how to access the LVT.

ALL ABOUT INSURANCE

If your property's sum insured is inadequate a major loss could be a life changing experience. Martyn Barrett from buildings insurance valuation specialists Barrett Corp Harrington explained that in order for insurance policies to provide the protection that leaseholders need, sums insured must be set at the right level. Martyn warned of the perils of having the wrong cover and explained BCH's new 'flat rate' service.

THE RIGHT TO MANAGE

The Association of Leasehold Enfranchisement Practitioners (ALEP) was established to ensure that valuers, solicitors, intermediaries and others involved in leasehold enfranchisement adhere to an agreed level of conduct and service. ALEP member John Midgely, a partner with Seddon's Solicitors talked to visitors about the Right to Manage from both the leaseholder and landlord's perspective, bringing clarity to an often misunderstood process.

WHAT IS THE FPRA?

The Federation of Private Residents Associations (FPRA) exists to offer its 500-plus members impartial advice on a range of legal and other problems concerning their lease and the management of their blocks, whether their tenancy is Long Leasehold, Rent Act, or Assured Shorthold. Chief executive Robert Levene spoke at the roadshow about the role of the FPRA and the range of issues it is currently tackling on behalf of its members.

To download any of our experts' presentations, go to www.flat-living.co.uk

BOURNEMOUTH ROADSHOW

Our next Leaseholder Roadshow will be held at the Wessex Hotel, West Cliff Road, Bournemouth on 7 May. To sign up for more information and to get your tickets, go to www.flat-living.co.uk or call 0845 257 6374

Invitation to

The Leaseholders' Roadshow

The Wessex Hotel, West Cliff Road
Bournemouth, Dorset BH2 5EU – Saturday 7th May

FLAT LIVING .CO.UK

Are you **worried** about how to locate a managing agent? Do your Service charges seem **unfair**? Are you **anxious** about your Lease term expiring? Are you considering **Right to Manage**?

Like many flat owners in Bournemouth, you may be unsure as to how to solve your **leasehold problems**. You may also be worried that by not being properly informed you are going to make a wrong turn that costs you dear. That's where we can help you.

Flat Living magazine, in association with ARMA (The Association Of Residential Managing Agents) ALEP (The Association of Leasehold Enfranchisement Practitioners) and the FPRA (The Federation of Private Residents Association) are pleased to invite you to attend a FREE exhibition on leasehold matters and issues facing leasehold residents in general.

Our exhibition will feature speaker sessions including:-

- Service charge arrears and disputes
- Should I extend my lease?
- What Health & Safety regulations do we need to comply with, and why?
- Can we buy the Freehold?
- Do we have the Right to Manage?
- Are we adequately insured?
- Digital switchover

Throughout the day you will be able to meet with our speakers, experts and other exhibitors to discuss any matters affecting you and your property and get answers to your questions. It could be the best couple of hours you will spend on your property, and could save you thousands of pounds.

All we ask is that you register FREE for the event by emailing your contact details to Sue Hodnett at info@flat-living.co.uk, completing the form online at www.flat-living.co.uk or by calling 0845 257 6374.

If you are interested in exhibiting at this or future events please contacts our events team on 0845 257 6374 or email info@flat-living.co.uk

Flat Living magazine, in association with

ARMA ASSOCIATION OF RESIDENTIAL MANAGING AGENTS

FPRA FEDERATION OF PRIVATE RESIDENTS' ASSOCIATIONS

ALEP ASSOCIATION OF LEASEHOLD ENFRANCHISEMENT PRACTITIONERS

JPC LAW

OMNI HOUSE
252 BELSIZE ROAD
LONDON NW6 4BT
Tel: 020 7625 4424
Fax: 020 7328 5840
www.jpclaw.co.uk

LBB CHARTERED SURVEYORS

LANGLEY BYERS BENNETT

Chartered Building Surveyors and Leasehold Enfranchisement Specialists

St Bartholomew House 90-94 Fleet Street London EC4Y 1DG
t 020 7822 8850 w www.lbb.org.uk e info@lbb.org.uk

RICS

FLAT LIVING .CO.UK

Are you looking to appoint a property manager for your block and would like to read more about the Company you are looking to appoint, then go to:

www.flat-living.co.uk/information/property-manager-in-the-spotlight/

If you are a property manager and would like to be included, please email us your responses to the questions found on our website.

and why not send a pic like the Property Managers below..

Protecting your parking rights

Patrick Troy offers some alternatives to clamping and towing away

In the last issue of Flat Living I gave a snapshot of how the British Parking Association (BPA) is working hard to protect leaseholders and resident management agents from unauthorised parking on their land. Since then, the BPA has continued to lobby the government in a bid to overturn the proposal. If this cannot be done, we want to ensure that any new legislation includes various amendments that are critical for the future control of private land.

The BPA fully understands that until we know more about the nature of the Freedom Bill – which will include the details about the clamping ban - the priority for flat owners is to understand if there are any alternatives for protecting their land. Here are a few options to consider.

INSTALLING BARRIERS

The main benefit of a barrier system, in principle, is that it prevents unauthorised vehicles from entering a car park and filling your valuable spaces. However, there are a number of pitfalls to this solution. First, it is very expensive to install - barriers can cost thousands of pounds. Second, you will have to apply for planning permission to your local council – which can be denied for a number of valid reasons, including that barriers can greatly impact the external road network. That is, they can cause queues outside a private site and therefore block the public highway. Finally, it is not too hard for people to tailgate legitimate vehicles in order to pass through the barriers without a permit. Once they are in, it is then very difficult to get them out again until they choose to leave.

USING THE POLICE

When Home Office Minister Lynne Featherstone announced the ban back in August, she claimed that additional powers were being given to the police, who could then deal with parking problems on private land. In reality however, the BPA are convinced that this will not work. The police will not be interested in a leaseholder's complaint that someone is parked in their space. Justifiably, they are likely to declare that it is a civil matter and that their time is better spent elsewhere. Thus the abuse will continue. If however a vehicle is blocking an entry or exit to your car park, or if you believe there is a fire risk, then you should call the police and ask them to remove it.

LOCKABLE BARRIERS ON INDIVIDUAL SPACES

This can work, but it doesn't come without flaws. While there will be an initial expense, lockable barriers will deter and usually prevent selfish motorists from abusing your land. However, the pitfalls are mostly connected to the stress involved and the hassle factor. For example, you may lose your key and have to pay for a replacement or even a new lock. If you come back with lots of shopping or luggage from a holiday, there are more logistics to contend with before you can simply unload your vehicle. Also, for anyone who is frail or unwell, the locks could be too heavy or even cause an injury – they are quite substantial in size and require a certain amount of physical strength. Furthermore, lockable barriers do not address the issue of unauthorised vehicles obstructing the spaces in areas such as access roads.

TICKETING

Lynne Featherstone announced that ticketing can be used as an alternative to clamping. While this is true and ticketing has been successfully used in many private car parks, it remains unregulated. This means that flat owners or their agents must rely on either contract or trespass law to enforce the tickets. We have long lobbied government to introduce some proper regulation in this area, including the establishment of owner liability, which will make it easier for flat owners to follow up unpaid tickets.

WHAT CAN THE BPA DO TO HELP?

The BPA has established the Approved Operator Scheme (which is a form of self-regulation for the private parking industry), to encourage best practice. However, although the AOS is a gateway for car park operators to access the DVLA's vehicle keeper database, it is still a voluntary scheme. The BPA wants to see a similar system – though wholly independent – to be mandatory for all companies working in this area. We are also calling on government to establish an independent appeals service to better protect motorists. To this end, we have been piloting such a service, which should act as a blueprint for change.

The reason that clamping can be an effective solution is because it affects a motorist's decision at the point of the offence. A sign with a clamp on it is proven to be a real deterrent and to dramatically reduce the number of parking offences on private land. If motorists think they might be clamped, they will think twice about breaking the rules. Clamping provides a last resort to landowners who are faced with persistent offenders. Banning clamping removes the most effective incentive to follow the rules.

However, the BPA wholeheartedly agrees with the government that 'cowboy' clampers should be driven out of the industry permanently and we will continue to lobby for better regulation of the entire private parking sector, including clamping. We want to see higher operator standards and a fairer deal for motorists when they fall foul of the rules. Real progress can be made by addressing the scrag end of the market occupied by the rogue clampers. The BPA will not rest until landowners, flat owners and leaseholders – as well as motorists - can rely on a regulatory system for private land that is as robust as that which applies on the public highway.

Patrick Troy is Chief Executive of the British Parking Association

The Complete Cleaning & Maintenance Solution

GOL GROUP
The Finest Property Care Company

Fully trained & insured staff
A friendly, helpful & reliable service
25 years experience
Highly competitive rates
All equipent & materials supplied
London & surronding areas

CALL NOW FOR A FREE NO OBLIGATION QUOTE :

0845 604 1288

www.thegolgroup.co.uk

ACS
ADVANCED CLEANING **SOLUTIONS** LTD

ESTATE MAINTENANCE SPECIALISTS

We specialise in providing the above services to communal areas of residential properties throughout the UK

WE KNOW WE CAN DELIVER!

Call us on 0208 596 5386
or visit www.acsclean.co.uk

Environment Agency

Claibon
Recruitment

PROPERTY RECRUITMENT SPECIALISTS FOR BLOCKS OF FLATS

Looking for a temporary or permanent Caretaker, Porter, Concierge, Cleaner etc?
Call us.

Tel (020) 7233 8500
enquiries@claibon.co.uk
www.claibon.co.uk

Iconic Blocks

We take another look at some of the country's most interesting and unusual flats

TORTINGTON MANOR, ARUNDEL – MANAGED BY HOBDENS PROPERTY MANAGEMENT LTD

Tortington Manor, just outside Arundel in West Sussex, is now a development of residential apartments and houses – all leasehold - and is set in 17 acres of woodland and gardens. The estate's history stretches back some 900 years. In that time the estate has undergone many changes, both in terms of the buildings and its ownership, which includes several Dukes and Earls. However, part of the original Manor House dating back to 1739 still exists today. Between 1922 and 1998 the estate was a boarding school for girls and, more recently, a college for American students. By the early 2000s the site was redeveloped into what it is today.

HOBDENS PROPERTY MANAGEMENT LTD 01903 724 040

FORBES PLACE, CHICHESTER – MANAGED BY NOW PROFESSIONAL PROPERTY MANAGEMENT

Forbes Place in Chichester, West Sussex, is the home of residents in 24 flats. These flats were first occupied in 1999 following the completion of a building project to turn the one-time hospital, latterly administrative offices for the Health Service, into flats. The wisteria on the front elevation of the building is the only protected plant in England.

NOW PROFESSIONAL 023 8022 4189

RIVER GARDENS, LONDON – MANAGED BY FARRAR PROPERTY MANAGEMENT

River Gardens in Fulham is a unique residential development constructed in the 1970s. The freehold is owned collectively by the leaseholders and the active board ensures the development is very well maintained. Farrar Property Management and the Directors liaise very closely to ensure the development receives the continued investment it deserves.

There are 11 blocks in total containing 116 flats, on site staff (including a residential porter), swimming pool and saunas and acclaimed communal gardens. Its riverside location overlooks the Wetlands Centre in Barnes, is adjacent to Fulham Football Club and is a prime location to take in the Cambridge vs Oxford boat race.

FARRAR PROPERTY MANAGEMENT 020 7341 0220

THE HORIZONS DEVELOPMENT, COLCHESTER – MANAGED BY PMS LEASEHOLD MANAGEMENT LTD

Originally developed by Barratt and opened in 2005, the Horizons development houses 207 mixed size flats over approximately 5 acres of land. The flats are a mixture of one and two bedroom units and three bedroom penthouses.

The flats stand on the banks of the beautiful River Colne in Colchester and the development is regarded as the jewel in the crown of the Colne Bank area. The development is illuminated with brilliant blue spotlights in the darker hours making the building look like it is constructed from ice.

Barratt paid particular attention to the impact the development would have on the environment, so it is graced with beautiful walkways and garden areas where nesting swans can be found in the spring and early summer.

PMS Leasehold Management Ltd have been involved with Horizons since its inception, and undertook full management from 2007.

PMS LEASEHOLD MANAGEMENT LTD 01206 835 350

Do you live in or manage an iconic flat? If so please contact us at info@flat-living.co.uk

om
property management

At OM Property Management we provide a quality, value for money nationwide property management service.
Meeting the needs of our customers is our aim.

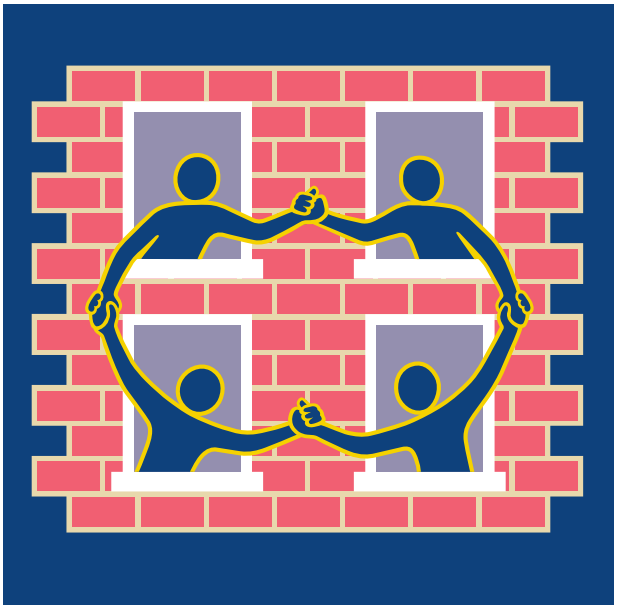
If you're unhappy with your current managing agent, we can help! Whether you are a Resident Management Company, Landlord/Freeholder, Right to Manage Company or property owner; if you are looking to find out what options are available to move away from your current managing agent, we welcome the opportunity to discuss how we can meet your requirements.

contact: 01582 393712
email: newbusiness@ompropertymanagement.co.uk
www.ompropertymanagement.co.uk

ARMA INVESTORS IN PEOPLE

OM Property Management, formerly Peverel OM

Leasehold property?



For expert legal advice on
lease extensions or purchase of freehold
call us on 020 8290 0440
www.thackraywilliams.com

thackray williams LLP
solicitors

Tibbatts & Co. Ltd

Formerly Tibbatts & Sons Ltd - Established 1979
Chartered Surveyors

We offer professional services and advice in the following specialist areas:

- Lease Extensions – 1993 Leasehold Reform Act
- Leasehold Enfranchisement – for flats (1993 Act) and for houses (1967 Act)
- Valuations for Tax, Probate and Disputes
- Expert Witness Reports on Valuation issues
- Party Wall Procedures and Awards
- Licenses for Alterations (on behalf of Landlords/Freeholders) when made by Leaseholder applicants
- Schedules of Condition

Please contact us:
36 St Georges Road Wimbledon London SW19 4ED
Tel: 020-8947-7040 Fax: 020-8947-3690

www.miketibbatts.co.uk

ALEP ASSOCIATION OF LEASEHOLD ENFRANCHISEMENT PRACTITIONERS

DrainLogic Ltd

Domestic Commercial & Industrial Drain Cleaning Services

OVER 25 YRS EXPERIENCE

- *High Pressure Drain Jetting*
- *Insurance Approved*
- *Guaranteed Work*
- *Planned Maintnenace*
- *24Hr Rapid Response*
- *CCTV Drain Surveys*
- *No Call Out Charge*
- *Gutters & Gulleys*

Insurance Work Undertaken

Contact DrainLogic Ltd for blocked drains.
Covering all London and all areas within the M25.

All of our staff are CRB checked, reliable, professional and friendly, offering a quality service for reasonable rates.

WWW.DRAINAGEESSEX.CO.UK
EMAIL: DRAINLOGIC@HOTMAIL.CO.UK
TEL: 020 8924 0859
MOB: 07931 636813
7 EVESHAM WAY, CLAYHALL
ILFORD, ESSEX, IG5 0EQ

You never told me that...!

Chartered building surveyor *John Byers* looks at some of the issues to be considered before buying a flat

In the course of my professional work I frequently come across clients who have sadly bought a flat with problems. It is a constant source of surprise to me how little advice people take when considering one of the most important life style and investment choices they are ever likely to make.

LEASES

First, let's look at leases. On new build and modern flats the form that the leases are drafted in is not often a problem, although many lessees have very little idea how the mechanisms described within the lease (payment of insurance, ground rents, service charges, accounting years) actually operate.

Any potential buyer would be well advised to discuss with their solicitor or surveyor not just the legal nature of the lease terms, but how these will work in practice on a day by day basis.

Occasionally on older blocks, older forms of leases can hide complex legal issues. It is not unusual to come across a lease where the description of the property or apportionment of the service charge is not clearly defined. This can lead to problems accounting properly for service charges. Some leases enable a landlord to charge a management fee (in addition to a managing agent's fee) or give the landlord sweeping powers to make alterations and improvements.

You would want to know (and it is now common practice) that leases take a similar form for all the lessees within the building. Some old leases are not drafted on this basis and individual lessees can end up unfairly prejudiced. It is particularly important to ensure the landlord undertakes to enforce lease obligations on other lessees in the building, so that problems of damage, unlicensed alteration, excessive noise and so forth can be properly managed.

Where buildings share facilities with neighbours (such as communal gardens, car parking, private roads etc) there should be a proper structure of lease obligations in place. That means for each part of the building and estate there is a proper hierarchy of liability with a means to ensure necessary repairs and maintenance are done and that the cost of those can be fairly administered and apportioned.

MANY PURCHASERS COULD SAVE THEMSELVES THOUSANDS OF POUNDS...HAD THEY TAKEN GOOD ADVICE BEFORE BUYING...

BUILDING CONDITION

Buildings are complex and there is a potential for defects to arise. Obviously this is more likely to be the case in older buildings but I have seen many new build flats and conversions or refurbishments that contain defects. Many extremely high class, expensive flats incorporate basic defects and levels of poor workmanship that would astonish you.

When making such an expensive investment decision it is essential to take good advice and you should think very seriously about commissioning a structural survey from a chartered building surveyor. This will advise you on the nature of construction and any defects within the individual flat and within the block as a whole (as you would normally adopt a service charge liability for external and communal areas as well).

In my experience many purchasers could save themselves thousands of pounds of expensive and unnecessary repairs had they taken good advice before buying their property.

MANAGEMENT

Good management is vital and potential purchasers would be well advised to satisfy themselves, so far as possible, that the property is suitably managed and that the necessary administrative and maintenance procedures are being followed. It is wise to check previous years' service charge accounts to understand the levels of service charge normally incurred and request budgets for future expenditure.

A good managing agent will have properly budgeted and planned expenditure for the future which will include not only normal year-to-year items such as cleaning, insurance and repairs but also more substantial periodic maintenance work such as major roof repairs, redecoration, refurbishment of lifts and so forth. Such items of major expenditure can cause service charges to spike very steeply in particular years and you would be well advised to request details of such expenditure before committing yourself to buy.

YOUR OWN RESEARCH

While some advice is best provided by experts, there are always a few enquiries you can make yourself. Take time to look around the area, look at the block and if possible speak to a director of the management company. Ask about the managing agent's reputation and see what you can find out. Taking the right advice ahead of your purchase could save you thousands of pounds in unnecessary costs and give you considerable peace of mind.

John Byers is founding director of LBB Chartered Surveyors

cardoe martin
chartered building surveyors

building…
property…
value…

experts in block management
building surveying services

- Major works
- Defects diagnosis
- Planned maintenance reports
- Fire insurance valuations
- Licences to alter
- Party walls

email: enquiries@cardoemartin.co.uk
web: www.cardoemartin.co.uk
phone: 020 7563 8900
address: 95 Wigmore Street, London, W1U 1QW

RICS

Urang group™

FREE RTM PROCESS!!

As flat owners, you can set up and control an RTM company, which will typically save you money on insurance, repairs and general maintenance – cost effectively improving the appearance and value of your flats. The Right to Manage process gives you, the leaseholder, the power to appoint the managing agent of your choice and to control what happens at your property.

To take advantage of this offer contact Urang's RTM specialist:
Phone: 020 7610 8314 **Email: scott.wilson@urang.co.uk**

ARMA

insero
LETTING PROFESSIONALS

"Your service has been excellent!, 1st class!"
Miss Woods SW8

0845 034 5792 (lo-call rate)
E: info@insero-lettings.co.uk
www.insero-lettings.co.uk

The Property Ombudsman LETTINGS
ARLA

Insero is a trading division of OM Property Management Limited

The longer you leave it, the more expensive it could be....

Lease Extensions & Collective Enfranchisement

Did you know you may be entitled to extend the term of the lease on your flat or buy the freehold with your neighbours?
For further information, without obligation, please contact:

Simon Garfinkel MRICS,
Chartered Surveyor
0207 704 7511
s.garfinkel@currell.com

Currell Chartered Surveyors
020 7354 5050 www.currell.com
offices in: Clerkenwell, Hackney, Islington, Victoria Park & Bow.

RER Group
Crown House,
Lynch Hill Lane,
Burnham,
Slough SL2 2QL

Ground Maintenance,
Cleaning and Caretaking.

Call: 0845 310 2435
E: rergroup@yahoo.com
www.rer-group.co.uk

IOG groundsmanship
CSSA
BICSc

BRADY
SOLICITORS

Chasing service charge debts and rent arrears can be expensive and time-consuming. Brady Solicitors offers a cost-effective solution that combines senior level expertise, powerful systems and a large measure of tenacity. And our track record of **100% success in recovering arrears** for our clients speaks for itself.

Arrange a free trial – email **success@bradysolicitors.com** or call **0115 985 3450** and let us show you what we're made of!

www.bradysolicitors.com

To advertise in the next issue of Flat Living call 0845 257 6374

ARMA Managing Agents Directory

NORTH EAST

Adair Paxton LLP 0113 2054190
Appletons 01642 675 555
Atlantis Estates Ltd 0800 612 1515
Avoca Estate Management Ltd 0191 212 5030
Eddisons Residential Ltd 0113 243 0101
Omnia Estates Ltd 0114 2792840
Premier Property Management & Maintenance Co. Ltd 01226 770088
Town & City Management Limited 0113 322 3191
Town & City Management Limited 01325 389689
Watson Property Management 0845 458 1228
Watson Property Management 01904 782 022

NORTH WEST

Andrew Louis Property Management Ltd 0151 330 5355
Atlantis Estates Ltd 0800 612 1515
Braemar Estates (Residential) Limited 0161 929 2300
Countrywide 0161 332 7551
Homestead Consultancy Services Ltd 01253 640040
Livingcity Asset Management Ltd 0161 274 1400
Manchester Residential Management Ltd 0161 707 4873
P R Gibbs & Co Ltd 01942 844100
Portland Block Management Ltd 0161 799 6288
Premier Estates Limited 0845 491 8899
Realty Management Limited 0161 474 7677
Revolution Property Management Ltd 0161 850 0022
Royle Estates (Lancaster) Ltd 01524 36311
Scanlans Property Management LLP 0161 236 8888
The Guthrie Partnership 01565 755390
West Kirby Property Management Limited 0151 632 1844

WALES

Atlantis Estates Ltd 0800 612 1515
Compton Property Management Ltd 01792 315457
Seel & Co 02920 370100
Western Permanent Property 029 2023 5151

MIDLANDS

Atlantis Estates Ltd 0800 612 1515
BK 0121 200 1100
Blue Property Management UK Limited 0845 331 3585
Centrick Property Management 0845 6800 981
Cottons 0121 247 2030
Countrywide 02476 550303
Countrywide 0121 454 9167
Countrywide 0116 254 8364
Curry & Partners 0121 233 0500
D & B Property Management Company Ltd 0115 979 2794
Freehold Property Services Ltd 0121 551 5988
Hadrian Property Management Company Limited 01543 410922
Lambert Smith Hampton 0121 236 2066
Lloyd Property Management 01509 503600
Mainstay Residential Ltd 01905 357777
Metro PM 0121 428 4747
MITIE Scotgate Ltd 01778 382240
Nock Deighton 01746 766998
Orchard Block Management Services Ltd 01604 620 422
Pennycuick Collins 0121 665 4150
Philip Laney & Jolly 01684 575100
Regalty Estates 0845 456 4980
Walton & Allen Properties Ltd 0115 924 3304
Watson Property Management 0845 675 5676
York Laurent Ltd 0121 236 5757

EASTERN

Amber Management 0845 2713300
Atlantis Estates Ltd 0800 612 1515
Banner Property Services Ltd 01628 522888
Boydens 01206 762244
Broadlands Estate Management LLP 01908 698804
Bush Property Management Ltd 01603 614004
Carringtons Residential Management Ltd 01279 408740
Consort Property Management 08451 947044
Countrywide 01702 236400
Covenant Management 01993 847 601
DJC Property Management Limited 0870481 0110
Francis Butson & Associates 01480 226740
Hillcrest Estate Management Ltd 01277 356231
Homes & Watson Partnership Ltd 01277 355200
Hurford Salvi Carr Property Management 01992 500040
Jakes Property Services Ltd 01277 651432
Labyrinth Properties 020 8586 1185
Labyrinth Properties 01442 242726
Lucy Block Management Limited 01865 559973
Marlborough House Management 01582 798 148
Maunder Taylor 01707 871710
MCS 01920 466500
OM Property Management 01582 393700
Peerless Properties (Oxford) Limited 01869 331198
PMS Leasehold Management Ltd 01206 835350
Qualitas Residential 01923 211331
Real Estate Services Ltd 01234 840 555
Red Brick Management Ltd 08458 621823
Residential Management Group Ltd 0845 002 4444
Rounce & Evans Property Management Ltd 01485 544740
Rumball Sedgwick 01727 854516
Sheridan's 01462 814087
Sorrell 01702 342225
St Andrews Bureau Ltd 01223 352170
St Andrews Bureau Ltd 01992 501752
Touchstone 01908 633918
Trinity Estates 01442 437655

GREATER LONDON

Abbott Management 020 7225 1995
Adelaide Jones 020 7725 5800
Allsop Residential Investment Management Ltd 020 8675 7046
Amber Management 01992 769143
Arkleygate 020 8731 4577
Aspect Property Management Limited 020 7581 7900
Aston Rose 020 7629 1533
Atlantis Estates Ltd 0800 612 1515
Bells Chartered Surveyors 020 7326 8363
Blenheims Estate and Asset Management Limited 020 7368 4150
Bowood Commercial 020 7223 6940
Buckingham Management Services 020 7839 2347
Capital Property Management 020 7328 4001
Carringtons 020 8960 0001
Castlebar Management Ltd 020 8991 2564
Castlereagh Management Limited 020 7258 9670
Chainbow 020 7928 9944
Chelsea Property Management Ltd 020 7584 7850
Chesterton Humberts 020 7359 0922
City Estates 020 8809 5051 ext 0022
CJ Delemere International 020 8444 9914
Cluttons LLP 020 7647 7196
Colin Cohen Property Management 020 8959 6870
Countrywide 020 8686 7773
Crabtree PM Limited 020 8371 7070
Craig Sheehan 020 7385 5020
Crescent Estates Management Ltd 020 7352 0761
Dauntons Soar Management Limited 020 7834 1032
Defries & Associates Ltd 020 8202 0759
Douglas & Gordon 020 7963 4650
Drivers & Norris 020 7607 4040
E A Shaw Chartered Surveyors 020 7240 2255
ERA Property Services Ltd 020 7837 6186
Esskay Management Services 020 7331 8888
F W Gapp (Management Services) Ltd 020 7221 8838
Farebrother 020 7855 3500
Farrar Property Management 020 7341 0220
Fresson & Tee Ltd 020 7391 7100
Fry & Company 020 7821 0099
Galleons Point Management Ltd 020 7511 8585
Gordon & Co (Property Consultants) 020 7724 4477
Grace Miller & Co. 020 8944 9889
Granville & Company 020 8995 5284
Hallmark Property Management Ltd 01992 761 419
Harrods Estates Asset Management 020 8479 5260
HML Hathaways Ltd 020 7472 5757
HML Hawksworth Ltd 020 7802 0000
Houston Lawrence Management Ltd 020 7801 9009
Ian Gibbs 020 8370 4810
Investment Solutions 020 8286 9285
Islington Properties Limited 020 7812 0480
Kensington Flats 020 7589 6699
Kinleigh Folkard & Hayward 020 8739 2150
Lamberts Chartered Surveyors 020 7278 8191
Lewis & Tucker 020 7323 2321
London Residential Management Ltd 020 7438 1080
M H Associates 020 7737 2552
Management Accountants Ltd 020 7224 5678
May & Co Management Ltd 020 7376 3726
Michael Laurie Magar Ltd 020 8492 9850
My Home Surveyor 020 7183 9020
Northleach Property Management Ltd 020 8315 0050
Parkgate-Aspen Property Management 020 8732 8888
Parkwood Management Company (London) Ltd 020 8368 8111
Pembertons Residential Ltd 020 7483 8429
Pinnacle Housing 020 7017 2000
Premier Management Partners Ltd 020 8457 2955
PRESIDE 020 7224 0011
Qbit Property Management Ltd 0208 320 2718
Quadrant Property Management Limited 020 7386 8800
Rendall & Rittner Ltd 020 7702 0701
Residential Block Management Services Ltd 020 8318 5544
Ringley Chartered Surveyors 020 7428 1976
RMC (The Residents Management Co.) 020 8748 1229
RMD Properties 020 7723 2111
Roger McMillan Properties Ltd 01932 576444
Salter Rex 020 7267 2071
Scotts 020 8789 1200
Sinclairs Block Management 020 7221 4935
Smith Waters LLP 020 7839 3950
Spencer Lewis 020 7627 2660
St Anselm Property Management Ltd 020 7495 3599
Stiles Harold Williams 020 7389 1501
Stonedale Property Management Limited 020 3117 2600
Sutton Heights Management Services Ltd 020 7585 2202
The Management 020 7231 3545
The Robinson White Partnership Ltd 020 8255 6298
Urang Property Management Limited 020 7751 8356

ARMA ASSOCIATION OF RESIDENTIAL MANAGING AGENTS

Wilson Hawkins 020 8869 7963
Woollens of Wimbledon Ltd 020 8542 9551
020 8255 6298
Urang Property Management Limited
020 7751 8356
Wilson Hawkins 020 8869 7963
Woollens of Wimbledon Ltd 020 8542 9551

SOUTH EAST

Allsop Residential Investment Management Ltd
01273 322011
Amax Estates and Property Services Ltd 01474 564444
Arko Property Management Limited 01424 439786
Atlantis Estates Ltd 0800 612 1515
Ayling & Strudwick 01444 415222
Bartholomews 020 8546 9441
BBM - Burkinshaw Block Management 01892 501100
Belgarum Property & Management 0845 330 0727
Blake Property Management Ltd 01296 614882
Bourne Estates Ltd 01202 784280
Bridgeford & Co 01590 677725
Bridgeford & Co 01424 439242
Broadleaf Management Services Limited 01425 403 767
Burns Property Management 01202 391663
Campsie 01753 410705
Castleford (Poole) Ltd 01202 682299
CastleKeyes 01420 566860
Caxtons Commercial Ltd 01474 537733
Clifford Dann LLP 01273 407 900
Concept Property Management Ltd 020 8916 2468
Countrywide 01273 608746
Denfords Property Management 023 8038 6970
DMA Chartered Surveyors 02380 629823

DMG Property Management Limited 01622 831017
Eastons 01737 353005
Edgerley Simpson Howe LLP 01932 860 505
Estate & Property Management Ltd 01444 410069
F & S Property Management (So'ton) 02380 226686
Fell Reynolds 01303 854123
Fortune Management 020 8905 1621
Foxes Property Management Limited 01202 299099
Frank Bailey & Partners 01256 473400
GCS Property Management Limited 01932 254090
Graves Son & Pilcher LLP 01273 321 123
Gray Property Management Ltd 02392 597567
Hamilton Townsend 01202 765404
Hamways Ltd 01883 730890
Hazlett Cox 020 8891 1601
Heritage Management Limited 01737 850260
HML Andertons Ltd 0845 177 8800
HML Andertons Ltd 01252 320777
HML Andertons Ltd 01732 897 661
HML Shaw Ltd 020 8948 3211
Hobdens Property Management Ltd 01903 724040
Homecare Property Management 01425 270751
House & Son Property Consultants Ltd 01202 244824
Housemartins Property Management 01323 896418
Huggins Edwards & Sharp 01372 455246
Hydehead Ltd 01273 579796
Itsyourplace Limited 0845 094 0854
Jacksons 01273 204401
JJ Homes (Properties) Ltd 020 8296 0181
John Mortimer Property Management Ltd 01344 823650
Jordan & Cook 01903 821919
Kent Gateway Block Management 01634 814867
Labyrinth Properties 01329 285858
Labyrinth Properties 01276 601290
Labyrinth Properties 01323 646646

Leasehold Management Limited 01903 238909
Leasehold Management Limited 01403 251 570
MH Property Management 01795 599 010
Minster Property Management Limited
01202 883360 / 01202 842812
Now Professional Property Management 02380 224189
Omnicroft Ltd 01634 362097
Owens & Porter Limited 01202 522012
Oyster Estates 01243 586939
Parsons Son & Basley 01273 274063
Parsons Son & Basley 01243 868600
Peter Overill Associates 01273 820202
Philip A Chapman 01303 233969
Pinnacle Property Management Ltd 01189 320180
Port Hall Property Management Ltd 01273 504125
Prior Estates Limited 020 8676 3020
Priors 01273 737586
Rayners 01883 742690
Rebbeck Brothers 01202 780 780
Ross & Co 01323 841814
Stride & Son 01243 813760
Sweetings Property Management Limited 020 8941 7799
Watson Property Management 0845 675 5541
Worthing & District Estate Management 01903 212857

For more information on ARMA members please visit www.arma.org.uk

ARMA ASSOCIATION OF RESIDENTIAL MANAGING AGENTS

DILLONS
Block Management Specialists for over 30 Years
E: info@dillonsproperty.co.uk
www.dillonsproperty.co.uk
619 Holloway Road, London N19 5SS
Regular Management Inspections
Administration of Ground Rent & Service Charges
Company Secretarial Services
Building Insurance at Competitive Rates
Tailored Management Packages
24/7 Emergency Contractors
NAEA ARLA The Property Ombudsman The Property Ombudsman OFT
Contact Us Today on 020 7561 5230

introducing bch flatrate

75% of the flats we surveyed in the last 12 months were underinsured. In the event of a major loss, would you want to face questions about underinsurance and your management or professional advice?

At Barrett Corp & Harrington, we take the guesswork out of setting the building sum insured and can provide you with an accurate insurance valuation.

With fees ranging from only £5 to £25 per flat,* can you afford to take the risk?

Reduce the Risk – Call us today 0844 412 4495

Leading supplier of Reinstatement Cost Assessments to the UK insurance market.

www.bch.uk.com

barrett • corp • harrington

insurance reinstatement cost assessments • risk surveys

Regulated by RICS

RICS

*excludes VAT, excludes listed and some historic buildings, minimum of 20 units per development.

Why I bought a flat...

THE RETIREMENT FLAT

I bought a retirement property when my house became too difficult to manage.

I decided on a brand new flat that I purchased from the developers. This meant I could choose my preferred bathroom and kitchen fittings which let me co-ordinate with the furniture from my house that I already had.

I chose a retirement flat as I wanted to move in to a community. I had lived alone for a few years and missed the companionship. We have regular events including coffee mornings, dominoes, card evenings and ballroom dancing which most of the residents get involved in. **Rosemary Hazelock**

THE FIRST TIME BUYERS

We have been trying to get our foot on the property ladder for some time, but the prices have always been too high for us to afford our own home on our salaries.

We had been keeping our eye on the property market when prices started to fall in mid 2009. In July 2010 we managed to locate our first home in a 2005 - built development of apartments in Romford. The flat had been tenanted before we purchased it and needed a little bit of tidying up, but this worked for us as getting it at the right price was the most important thing. I imagine that when we decide to start a family we may need to consider moving to somewhere with more room – but for now it suits us just fine – we are so pleased that we managed to find something within our budget. **Max And Sophie Russell**

THE BUY-TO-LET FLAT

Because the interest earned on my savings had virtually disappeared, I decided to buy a flat to rent out to supplement my pension.

This is the first time I have bought a property as an investment rather than to live in so don't have the experience to handle it day to day. I came across a local letting agent that a friend had recommended to me. This means my returns are good without any hassle.

Frank Shaw

THE COMMUTER FLAT

When I was offered a new job in London I decided to buy a flat in Brighton. I was struggling to afford a flat in London so started looking in the surrounding areas. In the end I chose Brighton as it was a place I had visited for holidays when I was younger and the commute only takes around an hour.

I try to use the commuting time for something useful, for example to catch up with my friends on Facebook, or to catch up with any work. I find this allows my time once I reach my apartment to be more restful.

James Webley

THE DOWNSIZER

After my husband died unexpectedly in 2005, I thought I would want to stay in our marital home forever. Fortunately, once the maintenance - particularly the gardening - got on top of me, my family convinced me that moving somewhere which is easier to manage was the best thing.

I moved in to my flat in Bournemouth in 2007.

As I like gardening I decided to move to a ground floor property which had access to the garden. In the summer I can do as much or as little as I want. I haven't looked back. I have two bedrooms, one for me and the other that my grandchildren stay in when they visit – I have plenty of space and masses of storage – I enjoy not having all the maintenance to organise and also the free time that this has given me.

I joined a local social group when I moved in to my flat, where I met my second husband Douglas in 2009 and we have just got married. We are staying in our flat as it has plenty of space for us both. **Irene Thomas**

SmartHeat valve insulation
for communal heating

Free insulation for residential buildings

sustain

Sustain is a leading carbon reduction company. We reduce carbon to build organisational resilience in our clients.

For more information, please contact
Adrian Newton on +44 (0)1934 864 824
Email adrian.newton@sustain.co.uk
www.sustain.co.uk

proven

- Recommended by the Carbon Trust, allows you to cut down on your tenants fuel bills and carbon emissions
- SmartHeat has installed insulation to over 6,000 boiler rooms around the country

"The installation process was handled efficiently and the final result is both neat and effective."

Theresa Anderson
Property Manager
South Kensington Estate

why is it worthwhile?

- Improving insulation is simple
- Valves are often overlooked when insulating heating systems
- Each un-insulated valve is equivalent to a metre of exposed pipe - roughly like leaving a 100W light bulb running
- Insulating a single boiler room can make genuine savings of hundreds if not thousands of pounds per annum
- Quick-release fastenings for easy maintenance access

This thermal image shows the reduction in heat loss after SmartHeat insulation jacket is fitted

Why waste heat? Improve your property heating for free

As the environment continues to move up the Government agenda, the property industry is under increasing pressure to build environmental concerns into everything they do.

The property manager can be a catalyst for change and, can make a real difference to the level of CO_2 emissions from homes by installing energy efficiency measures. By acting early, property managers who commit to helping reduce energy consumption have the best chance of capitalising on the potential benefits for themselves and their tenants.

Property managers can benefit by reducing tenants' energy bills as well as enjoying the prestige and positive media attention that comes with showing leadership and innovation in carbon reduction.

SmartHeat Private is a venture launched by carbon reduction company Sustain earlier this year, which provides valve insulation for communal boiler rooms in privately-owned homes. Through the Government's Carbon Emissions Reduction Target (CERT), Sustain is able to offer full funding to landlords and property managers for this insulation.

SmartHeat Private identifies un-insulated valves, pipe work and hot elements in communal boiler rooms. Once identified, an Energy Savings Report is produced to show how energy could be saved by fitting SmartHeat Insulation. The tailor-made insulation jackets are fitted and the installation is then complete.

One example of how the scheme has been used is in a project for South Kensington Estates - with two developments, Empire and Dalmeny House in; London. These sites had 361 un-insulated flanges and valves as well as 22 metres of un-lagged pipe work.

These have now been insulated and the savings are significant, with energy savings of approx **621,954** kWh/annum and projected cost savings of approx **£15,000**/annum with an immediate payback period.

For more information, please contact
Adrian Newton on +44 (0)1934 864 824
Email adrian.newton@sustain.co.uk
www.sustain.co.uk

sustain

DUNSIN SURVEYORS

CHARTERED SURVEYORS
AND VALUERS

RESIDENTIAL AND COMMERCIAL PROPERTY SURVEY AND VALUATION SPECIALISTS

- Valuation Reports
- RICS HomeBuyer Service
- Building Surveys
- Property Defects Surveys
- Lease Extensions
- Lease Renewals
- Rent Reviews
- Commercial Valuations
- Collective Enfranchisement
- Leasehold Enfranchisement Valuations
- Probate Valuations
- Inheritance Tax Valuations
- Charities Act Valuations
- Matrimonial Valuations
- Litigation Surveys and Valuations
- Retrospective Valuations
- Compulsory Purchase and Compensation
- CPR 35 Compliant Expert Witness Reports
- Building's Insurance Reinstatement Cost Assessment
- Surveyor Negligence Reports
- Service Charge Disputes
- Property Management Disputes
- Independent Assessment of Service Charge Accounts
- Landlord's Consents
- Repair, Maintenance and Improvement Advice
- Development Appraisals
- Freehold Purchases
- LVT Applications, Submissions and Representations
- Capital Gains Tax Valuations
- Stamp Duty Land Tax Valuations
- Licenses for Alterations
- Schedules of Condition
- Schedules of Dilapidation
- Party Wall Procedures and Awards
- Mixed Use Valuations
- Negotiations on behalf of tenants, leaseholders, occupiers, landlords, freeholders, agents, etc.
- Business Rates
- Project Managers
- Stock Condition Surveys

ISO 9001 Registered Firm
Certificate No. GB2003773

International Accreditation Board
Registration No. 0044/1

Ombudsman Services
Property

RICS
The mark of
property professionalism worldwide

020 7233 6762

www.dunsinsurveyors.co.uk

Fax: 020 7233 6785

info@dunsinsurveyors.co.uk

Regulated by RICS