



**HUNTERS ESTATE AND PROPERTY MANAGEMENT LTD
MANAGEMENT AGREEMENT**

BETWEEN

THE CLIENT:

Sandycombe Properties Limited

Registered Office: 5 Church Road, Burgess Hill, West Sussex, RH15 9BB

THE MANAGER:

HUNTERS ESTATE AND PROPERTY MANAGEMENT LIMITED

Office: 5 Church Road, Burgess Hill, West Sussex, RH15 9BB

Telephone: 01444 254400

E-mail: management@hunters-group.co.uk

THE PROPERTY

Sandycombe Estate

FROM:

1 November 2021

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TERMS AND CONDITIONS

1 Definitions

- 1.1 The 'Client' means the resident management company, right to manage company, or other landlord named in the cover sheet to this agreement.
- 1.2 The 'Manager' is the managing agent named in the cover sheet to this agreement.
- 1.3 The 'Property' is the estate, scheme, or development named in the cover sheet to this agreement and as described at the end of this agreement.
- 1.4 The 'Management Fee' is the fee set out in the fee agreement in Appendix I.
- 1.5 The 'Services' mean the services set out and the frequency specified in Appendix II.
- 1.6 'Additional Charges' are the charges listed for additional services in Appendix III.
- 1.7 'Review Date' means the review date specified in the fee agreement in Appendix I.
- 1.8 'Term' – this Agreement is for an initial period of one year from **1 November 2021**. and renewable annually.
- 1.9 The 'Parties' means the Client and the Manager.
- 1.10 'ARMA' means the Association of Residential Managing Agents whose website is <http://www.arma.org.uk>.
- 1.11 'RICS' means the Royal Institution of Chartered Surveyors whose website is <http://www.rics.org>

2 Appointment

The Client is bound by the terms of the agreement on either the signing of the agreement by both parties or from the date the Manager commences the Services.

3 Services to be provided by the Manager

- 3.1 The Manager will perform with reasonable care, skill and diligence the Services set out with the frequency as agreed and specified in Appendix II for the Management Fee as set out in Appendix I.
- 3.2 The Manager will provide additional services for the Client for Additional Charges as set out in Appendix III.

4 Compliance with the Provision of Services Regulations 2009 (as amended)

The Manager has provided to the Client the following information:

- Details of its legal status
- Its office address for communication including e-mail address and telephone numbers.
- VAT registration number
- Its ARMA membership and details of where that membership can be checked
- A copy of its complaints handling procedure [Appendix V]
- Details of the ombudsman scheme that it is required to join as a member of ARMA [Appendix V].
- Details of the public indemnity policy that it holds [Appendix VI].

5 Conduct of the Manager

- 5.1 The Manager will comply with the terms of the deeds of the Property.
- 5.2 The Manager will comply with the requirements of ARMA and the Service Charge Residential Management Code of the RICS as appropriate.
- 5.3 The Manager will comply with health and safety, fire safety, employment and all other relevant laws and regulations relating to the management of the Property.
- 5.4 The Manager will hold professional indemnity insurance including fidelity cover and maintain it during the Term. On request, the Manager must give the Client a copy of the certificate of insurance.

- 5.5 The Manager will comply with the rules of the Financial Conduct Authority when carrying out any regulated insurance activities.
- 5.6 The Manager will at all reasonable times allow the Client access to all records and accounts appertaining to the management of the Property.

6 Conduct of the Client / Directors and Officers Insurance

- 6.1 The Client will use its best endeavours to ensure the handover of the documents listed in Appendix IV, the Takeover List, to the Manager.
- 6.2 The Client will not issue any instructions to the Manager that require it to breach the terms of the Property, legislation, the recognised Codes of Practice or any regulations relating to the management of the Property.
- 6.3 The Client will act in a manner that ensures there is no unlawful discrimination in the provision of services at the Property and the employment of any staff or contractors.
- 6.4 The Client will keep the Manager informed of any formal Notices served upon them and any other matter relating to the management of the Property of which the Client becomes aware.
- 6.5 When oral instructions are given by the Client to the Manager, these should be confirmed in writing by post or email within 7 days.

7 Disclosures, Commissions and Associated Companies

- 7.1 The Manager has no arrangements with insurance companies/brokers and other contractors that allow the receipt of commissions and confirms it will not do so during the Term of this agreement.
- 7.2 The Manager will never have any commission arrangements that it may wish to enter into during the Term of this agreement.
- 7.3 The Manager has disclosed to the Client any relationship, other managements, or interest of any kind it has with the freeholder/landlord of the Property if the Client is not the freeholder/landlord.

8 Fees and charges

- 8.1 The fees and charges payable by the Client to the Manager are as set out in Appendices I and III and are payable without any right of set-off against any other account with the Client.
- 8.2 The Client authorises the Manager to deduct the Management Fee Quarterly in Arrears and Additional Charges immediately after they have been incurred from the designated bank account.
- 8.3 Should the Manager wish to recover this fee; the Client will pay to the Manager interest on any overdue fees and charges payable by the Client to the Manager at the rate of 1% over base rate of Barclays Bank from the date the fee or charge became due until the date of payment.

9 Changes to Management Fee and Additional Charges

On the Review Date the amounts payable under Clause 8 may be varied as follows:

An annual upward increase of up to 3% unless otherwise agreed prior to review date between the Client and the Manager.

N.B. Any Fees or Additional Charges may be subject to specific alteration where legislative obligations or changes of the services required add to the existing workload.

10. New Build Clients Only

The developer/landlord agrees to pay all void payments as service charge to the manager until such a time as the last property is sold.

11 Handling of Client's Money

- 11.1 The Manager will comply with statutory and ARMA's rules for banking and holding any funds of the Client in a clearly designated bank account. Any such client funds must be held in trust.

- 11.2 The Manager will open a designated bank account on behalf of the Client in the name of the Property or name of the Client for the receipt of all money due to the Client and the payment of expenses relating to the Property, including for the use of holding receipt of reserve fund contributions made by the Homeowners.
- 11.3 The Client authorises the Manager to make payments for the benefit of the Property (or, if appropriate, within the limits set out in 11.6 below) from the designated bank account held for the Property.
- 11.4 The Client authorises the Manager to deduct any outstanding Management Fee and Additional Charges from the designated account after this management agency agreement terminates.
- 11.5 It is hereby agreed that any interest earned on the designated account shall be a credit to that account.
- 11.6 The expenditure authorisation limit of the Manager without referral to the Client shall be £240.00 inclusive of VAT (per item), however this shall be within the overall context of any annual service charge budget.
- 11.7 The Manager will notify the Client as soon as possible of any lack of funds to pay for the services. The Client shall put the Manager in funds to pay for services required if there is a deficit for any reason and the Manager may cease to provide services if no funds are available.

12 Liability

- 12.1 No liability shall be attached to the Manager either in contract or in tort or otherwise for any loss, injury, damage or legal or other expenses sustained as a result of:
- a) The Manager having reasonably relied upon the Client to provide accurately all relevant information;
 - b) Any inaccurate forecast by the Manager of future income or expenditure unless done so negligently;
 - c) Any defect in the Property, or plant and machinery, equipment or materials used for the property, whether or not such defect be latent or apparent upon examination.
 - d) The act, omission, or insolvency of any person other than the Manager.
- 12.2 The Client shall indemnify the Manager in respect of any claims made by another or third party for any loss, damage or legal and other expenses incurred as a result of any one or more of those circumstances listed in 12.1 (a) to (d) above.
- 12.3 The Manager shall not be liable to indemnify the Client in respect of any claims made by another or third party for any loss, injury, damage or legal or other expenses incurred as a result of any one or more of those circumstances listed in 12.1 (a) to (d) above unless it be as a result of the Manager's negligence.
- 12.4 The above shall not be valid insofar as prohibited by statute.
- 12.5 In no circumstances shall the Manager be liable for any consequential loss or damage save where loss, death or injury results from negligence on the part of the Manager.

13 Assignment

This agreement may only be assigned by the Client or the Manager with the written consent of the other party to this agreement.

14 Ending this Agreement

- 14.1 This agreement will end at the expiry of the Term as allowed for in 1.8 above so long as 3 months written notice by either side has been received.
- 14.2 This agreement may be terminated at any time thereafter, upon receipt by either party on giving 3 months' notice in writing.'
- 14.3 The Client may end this agreement at any time in writing if:

- (a) The Manager is in breach of this agreement, and the Client has notified the Manager of that breach in writing, and the breach has continued for 30 days after that notice; or
- (b) The Manager becomes insolvent or makes other arrangements with its creditors; or
- (c) The Manager's membership of the Association of Residential Managing Agents has been suspended or ended; or
- (d) The homeowner of the Property exercise the right to manage or enfranchise or a manager is appointed by a Tribunal.

14.4 The Manager may end this agreement at any time in writing if:

- (a) The Client fails to pay the Management Fee or other Additional Charges owing to the Manager within one calendar month of notice of the fee and charges; or
- (b) The Client acts in a way that prevents the Manager from performing its Services under this agreement and more specifically is in breach of 5.2.

14.5 When this agreement is ended the Manager will handover to the Client the documents itemised in Appendix IV, the Handover List, if they are in its possession.

14.6 Unless agreed otherwise all documents created by the Manager during the period of this management agreement for the Client shall belong to the Client.

15 Complaints Procedure

If any dispute arises over the interpretation of or compliance with the specific clauses in this agreement, the Parties will attempt to settle it by negotiation. Each of the Parties is to be represented by a person who is a director, or of equivalent executive authority, with authority to settle the dispute.

If the Parties have not settled the dispute by negotiation within 56 days from when the dispute began (or sooner if the Parties agree) the Client can refer the dispute to the relevant Ombudsman scheme of which the Manager is a member.

16 Data Protection

- 16.1 The Manager confirms its registration under the Data Protection Act and its compliance therewith.
- 16.2 The Manager confirms it will only hold and retain information for the purpose of fulfilling this Agreement.
- 16.3 The Manager confirms that suitable procedures are in place to safeguard such information from improper use or disclosure.

17 Communication between the Parties

- 16.1 Any communication or instruction from the Client to the Manager shall be made by a director or secretary of the Client or person of equivalent executive authority.
- 16.2 Service of written communications shall be by first class post to the address shown on the front cover of this agreement, by fax or email. Notice to end this agreement shall be by registered or recorded delivery post, or receipted hand delivery.
- 16.3 Any communication in writing will be deemed to have been served on the third working day after posting, faxing, or emailing.

18 Waiver

If either party at any time agrees to waive its rights under this agreement, then that waiver does not prevent the party insisting upon its rights at any other time.

19 Legal Jurisdiction

- 19.1 This agreement shall be governed by the law of England and Wales.
- 19.2 Each party agrees to abide by the jurisdiction of the courts of England and Wales over any claim arising from this agreement.

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20. The Property which comprises of 98 Freehold Houses together with their garages and communal areas. This instruction does not extend to the individual services to each property.

Signed on behalf of the Client: 

Sandycombe Properties Limited

[Print name and position] CAROL HANNAH CHAIR / DIRECTOR

Date: 5th January 2022

APPENDIX I

FEE AGREEMENT

- The **Term** of this Agreement is as set out in 1.8 above.
- The **Management Fee** is payable for the services in Appendix II :

Sandycombe Estate	No Of Units: 98
Current Management Fee:	£2,397.08
Cost per Unit:	24.46
Sub Total	£2,397.08
VAT:	£479.42
Total:	2,876.50

- The **Management Fee** is to be paid **quarterly** in advance.
- The Management Fee and any Additional Charges must be paid to the Manager in accordance with clauses 8 and 9 of the Agreement.
- The annual **Review Date** for the Management Fee is 1st November.

APPENDIX II

THE SERVICES

Financial

- Opening and handling bank accounts for Maintenance Charge only. *Please refer to 'Terms and Conditions', Point 11.2.
- Keep expenditure under review and manage cash flow.
- Advise on future levels of Maintenance Charges and other contributions.
- Prepare and distribute demands for Maintenance Charges and other contributions.
- Receive payments and credit individual Homeowners accounts with their payments.
- Chase Homeowners for non-payment of charges
- Pay all suppliers invoices within expenditure limits and funds available or as reasonable expediency shall dictate.
- Carry out quarterly bank reconciliations.
- Liaise with Accountants during their preparation of end of year accounts and produce all records requested by them and assist throughout the process.
- Distribute the end of year accounts to all Homeowners.
- Keep accurate records of all receipts and payments.
- Ensure that all the requirements of ARMA are complied with.

Insurance

- Keep Public Liability and D&O Insurance cover in place and kept under review.
- Ensure renewal takes place.
- Process claims submitted on behalf of Homeowner and recover excesses where possible.

Liaison with Homeowners

- Respond to routine inquiries to do with the service charge and share certificates raised by Homeowners and refer issues of concern to the board of Sandycombe.
- Respond to Homeowner's Solicitors pre-contract enquiries at the time of a sale and upon assignment, issuing any certificate required. An appropriate fee is charged to solicitors.
- Communicate when necessary to all Homeowners through circulars.

Repairs, Maintenance and Contracts

- Ensure proper maintenance of the common parts to the buildings and the grounds.
- Maintain a cyclical maintenance and repair plan.
- Deal with day-to-day repairs and maintenance promptly and efficiently.
- Liaise and negotiate with contractors over quotations for non-routine work, obtain competitive prices and acceptable levels of service. Ensure work is completed within a reasonable time scale and to an agreed specification.
- Advise on major contract work and the use of specialist professionals or contractors.
- Section 20 Consultation for qualifying works
- Supervising and engaging staff and dealing with all matters relating to their employment
- Liaise with suppliers on contract, ensuring that they maintain their contracted level of service
- Make site visits if requested by the board of Sandycombe

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- Make site visits if requested by the board of Sandycombe

Legal Strategy and Control

- Be aware and comply with current and new legislation, and current best practice that affects the management of the development.
- Ensure Health and Safety is complied with.
- Maintain adequate accounting records.

Hunters Estate & Property Management Ltd may seek to negotiate additional fees as advised in the Appendix III (Additional Charges).

Signed:  _____ **Date:** 11 January 2022
For and on behalf of **Hunters Estate & Property Management Ltd**

Signed:  _____ **Date:** 5th January 2022
CAROL HANNAH
For and on behalf of **Sandycombe Properties Limited**

APPENDIX III**MANAGEMENT FEE CHARGE****Inc. VAT**

Annual Management Fee	£2,876.50
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ADDITIONAL CHARGES
***Including charges to homeowners**

ADDITIONAL SERVICES	CHARGING BASIS where not included in the Services and incl. VAT
Company Secretarial Services: Acting as Company Secretary to the Client including Filing Returns	£275
Ground Rent Collection	20%
Debt Recovery: If a freeholder does not pay in the required time, we will send a Polite Reminder. If we have to continue to chase, we will levy a fee of £48 inc for every further communication	£48
Photocopy – Insurance Policy*	£12
Monthly service charge payment fee*	£45
Sale Enquiries Pack Freehold	£180
Notice Only*	£150
Notices & Deed of Covenant	£200
Notice/Deed of Covenant/Cert of Compliance	£240
Dealing with requests for improvements or alterations by homeowners and related party wall matters (Letter Licenses) *	Typically £80-£200
Preparing and monitoring major building works not covered by annual contracts, dealing with S20 consultations, including serving the required notices, instructing and liaising with specialist consultants, inspecting work in progress, and handling retentions.	£18 per notice per property
Attending meetings of directors held within office hours – 1 per annum included	£60 per hour
Attending other meetings of directors out of hours, including travel to and from	£90 per hour
Attending site meetings out of hours including travel to and from	£60 per hour
Homeowners inspection of invoices: Providing accommodation for meetings and Inspection of documents and the facility to make photocopies. *	At Cost 35p per copy

Any reference to 'out of hours' means Monday to Thursday only, with evening meeting starting no later than 7pm.

APPENDIX IV

THE TAKEOVER AND HANDOVER LISTS

- The Property:** Land Certificate/Plans/Drawings
Utilities and location of services
Details of any planned or ongoing Major Works and Long-Term Agreements, Copies of S.20 Paperwork/Responses
Detail of Plant, machinery, and relevant documentation
Copies of all statutory Inspection Reports
Arrangement for out of hours emergencies/contacts detail/alternative contacts
- Insurance:** Current Brokers/Insurers
Original Schedule and Policy for the property/Third Party/Employers Liability/Engineering Valuation
Claims History over full management including open claims
- Contracts/ors:** With the Agreement of the new Agents, we will notify Contractors and Suppliers of the change of management, then we will forward a copy of each letter together with:
Contracts placed, their contact details and payment detail
Regular/Alternative contractors used and their duties and payment detail
Warranties in place
- The Homeowners:**
Contact Details of Homeowners and Residents (incl: Sub-lets) if known
Schedule of Service Charge apportionments
Any Ongoing Assignments
- Legal:** Current Disputes and details
Current or impending litigation whether for or against the client
Details of solicitors engaged
All outstanding litigation will be dealt with by the incoming Agent.
- Staff:** Contracts of Employment/Job Descriptions
Each person's employment history
Details of any disciplinary action or other special circumstances
PAYE records for the current period and previous years, as appropriate
Ensure all TUPE is adhered to.
- H&S:** All H&S/FRA and other Risk Assessments carried out
Accident Records
Asbestos Register if applicable
CDM file if appropriate

Accounting: Certified SC Accounts for the last 3 years or longer
Service Charge Budget
Bank Statements/Client Monies
Reconciled copy of the cash book
SC balances and statements
Paid contractors and suppliers' invoices for the current period and all previous years.
Outstanding contractors and suppliers' invoices
Reconciled trail balance and supporting schedules up to date of handover
A cheque for the balance of the funds in hand
Method of payment used by each homeowner
Agreed payment plans for arrears, if any. Any outstanding arrears will be dealt with by the income Agent.
Copy correspondence about any outstanding arrears
So long as the required bank accounts are in place by the incoming Agent:
 Handover balance of funds held not required to meet commitments already made,
 Remaining balance to be handed over with the Statement of Accounts which will be up until the date of handover and handed over within 3 months of our Termination date.

Miscellaneous: Details of guarantees
All Labelled Keys/Spares/Access Codes etc
Any unanswered correspondence and other relevant enquiries
We will cancel any contracts which are specific to ourselves
Handover Co Sec papers to the new Responsible Company

APPENDIX V

COMPLAINTS HANDLING PROCEDURE

Hunters Estate & Property Management are committed to providing a high quality, accessible and responsive service to all clients and customers with whom we work. If you believe that we have failed to meet these standards, we thank you for allowing us the opportunity to rectify the situation and will aim to listen to and work with you to resolve your complaint through the channels set out below with speed and efficiency.

If you have a complaint, please put it in writing, including as much detail as possible. We will then respond in line with the timeframes set out below (if you feel we have not sought to address your complaints within eight weeks, you may be able to refer your complaint to the Property Ombudsman to consider, without our final viewpoint on the matter).

Whilst no business likes to receive complaints, we welcome the feedback from our customers in order that we can work on improving our service. Below is the procedure which we will follow in accordance with the guidance produced by ARMA and RICS.

Procedure

Before making a formal complaint, you should contact the appropriate property manager for your property/development who will aim to resolve any issues you are experiencing. If your complaint is not resolved to your satisfaction, then you will need to make a formal complaint as detailed below.

Hunters Estate & Property Management is a managing agent providing a service and as such any formal complaint must be in relation to the service provided and not about building defects or other matters outside of the responsibility of Hunters Estate & Property Management.

Formal Complaint – Stage 1

Please put your complaint in writing either by post or email as set out below. For us to be able to review the complaint we will require details of the complaint and what steps you have taken to try to resolve your complaint with the appropriate property manager for your development.

We will acknowledge receipt of your complaint within 3 working days; if you do not receive an acknowledgement, please contact us to ensure it has been received.

Your complaint will be reviewed and investigated by a senior manager who will respond to you in writing with a full response within 15 working days from receipt of your complaint or failing this will contact you within 10 working days to request further information, in these cases you will be asked to reply within 10 working days in order that we can continue our investigations.

Contact details

By post - Hunters Estate & Property Management Ltd, 5 Church Road, Burgess Hill, West Sussex, RH15 9BB

By email: block@hunters-group.co.uk

Please ensure you head your correspondence with "Formal Complaint – Stage 1".

Formal Complaint – Stage 2

If you are not satisfied with our response or feel the complaint was not handled satisfactorily then you can make a further complaint in writing as detailed below.

For us to be able to review the complaint further you should confirm why you are not satisfied with the result of your complaint or the handling of your complaint at Stage 1.

Your complaint will be reviewed by a director and a response will be issued to you within 15 working days from the receipt of your complaint or failing this we will contact you within 10 working days to request further information, in these cases you will be asked to reply within 10 working days in order that we can continue our investigations.

Contact details

By post - Hunters Estate & Property Management Ltd, 5 Church Road, Burgess Hill, West Sussex, RH15 9BB

By email: block@hunters-group.co.uk

Please ensure you head your correspondence with "Formal Complaint – Stage 2".

If you are still not satisfied with the outcome or how your complaint has been handled following our response to your Stage 2 or your complaint has not been resolved within 8 weeks from commencing our formal complaints procedure You can refer your case to the Ombudsman without charge. You will need to raise a Stage 1 and Stage 2 complaint before applying to the Ombudsman.

Hunters Estate & Property Management have the following Ombudsman provider.

The Property Ombudsman, Milford House, 43-55 Milford Street, Salisbury, Wiltshire, SP1 2BP

01722 333 306

admin@tpos.co.uk

www.tpos.co.uk

APPENDIX VI

Professional Risks

SCHEDULE

Policy number:	PI21K585389	Date of issue:	08/11/2021
Form:	PI Estate and Letting Agents 1019		
Date of proposal form:	28/09/2021		
Insured:	Hunters Estate & Property Management Ltd, Hunters Estate Agents Ltd and Hunters Lettings Ltd, Hunters LBH Ltd		
Business:	Estate agents, property managers		
Period of insurance:	From:	10/11/2021	
	To:	09/11/2022 both dates inclusive	
Indemnity limit:	GBP 1,000,000 any one claim defence costs in addition		
Excess:	GBP 1,000 each and every claim does not apply to defence costs		
Additional conditions:	Retrospective Date Geographical limits Jurisdiction	None Worldwide excluding USA / Canada Worldwide excluding USA / Canada	
	HCC 576 HCC 328	Combustibility and Fire Safety Exclusion Installments Endorsement	
Premium:	GBP 3,500.00	Plus	12.00% Insurance Premium Tax

Professional Risks | PI Annual Schedule 0417