

Residential Management Group

Property Management Proposal

Westshield Limited

Dinting Lane, Glossop



Dear Patrick,

Thank you for the opportunity to tender for the estate management services for the proposed development Dinting Lane.

The following management proposal highlights the assumptions made in the construction of the budget, outlines the individual budget and cost per plot before outlining in more detail the on site services and support provided by RMG and its infrastructure.

I hope the document and its appendices are of interest to you. Should you have any questions in regards to our services or would like to arrange a potential meeting with my colleagues and I, please do not hesitate to contact me directly on 07816 297 909 or by email.

I look forward to hearing from you soon,

Kindest regards



Emma Horton
Business Development Manager
Residential Management Group

Contents

 RMG Company Profile.	3
 RMG Infrastructure and Support.	4
 RMG's Management Approach for Dinting Lane.	6
 RMG Service Delivery and Onsite Management.	6
 Development Overview – Dinting Lane	7
 Estimate of Service Charge – Dinting Lane.	9
 Detail of Services – Dinting Lane.	10
 Management – Service Level Agreement	12
 Contractor Specification- Grounds Maintenance	14
 Contractor Specification- Drainage	16
 Company Secretary Specification	17
 Contact RMG	18






RMG Company Profile.

As one of the largest and most respected property management companies in the country, the Residential Management Group portfolio spans over 80,000 households across the United Kingdom, with more than 100 years of successful property management experience.

We are proud to work with the majority of the UK's national and regional house builders and developers, alongside major freehold landlord and agents and to provide your residential management services to both new and established developments.

RMG is a proud member of the Places for People Group (PFP). Places for People is one of the largest property and leisure management, development and regeneration companies in the UK, with over 140,000 homes in their management portfolio and assets in excess of £3 billion.

PFP's main services include:

-  Building and managing homes
-  Providing job and training opportunities
-  Supporting new and existing businesses
-  Offering financial products such as mortgages and loans
-  Providing specialist care and support services that enable people to live independently in their own home.

With the support group structure of companies, together RMG and Places for People are able to offer a complete residential management package to both the public and private sector at any scale.

RMG's Registered Office is located in Hoddesdon, Hertfordshire, however our main property management office is based in Northwich, Cheshire with over 120 employees based at this hub.

We always take a personal, client-focused approach to residential property management, delivering high-quality customer service including access to our **24 hour, 7 days a week** Customer Service Team.

Our Customer Service Team work together with our team of highly trained specialist Property Managers, Health & Safety Surveyors, Accountants and Back Office support staff who will ensure we deliver you a Property Management service that is comprehensive and second-to-none.

As Managing Agents, we have a unique and important role to play in managing other people's homes and money. Our experience and in-depth knowledge of property management, together with our dedication to professionalism and high standards, is what sets us apart.






We believe in working closely with our clients and residents ensuring all parties the best possible management service and maximum benefit from the range of services we provide, whatever the size of the property, development or portfolio.

RMG Infrastructure and Support.

RMG believe it is vital to have a network of professionals and support infrastructure to provide the expertise to support our local Property Management Team. From financial analysts and service charge accountants to legal experts, health and safety professionals and compliance specialists, RMG have a number of departments to ensure our Property Management Team can provide a local on site presence and compliance at all times.

Details of some of RMG's support infrastructure available to Westshield Limited are detailed below:

Customer Service Centre: RMG prides its customer service on its full 'in house' 24 hour, 7 days a week customer support from our Customer Service Centre. 60 fully trained and monitored property agents, provide support to residents on the full range of management issues. Each of our agents is empowered to instruct contractors to rectify issues that may arise on site. As well as access to our Customer Service Centre via telephone, fax, post or email RMG have introduced a number of online and digital facilities:

-  Residents can access information regarding their account and their development via the RMG Living website and report issues via this online portal. This function can also be used for online payments for service charges.
-  On-line chat facility with one our agents available 24/7 via our website.
-  RMG App for mobile and tablet devices
-  Text alerts and confirmation that repair works by sub-contractors have been completed.
-  Social media updates and correspondence via our Twitter feed @RMGLtd

We have ensured that access to our Customer Service Centre is available through a number of methods and portals to strengthen our customer service delivery and accessibility. All communication is logged and receives a unique reference number so therefore can be tracked across the business until its resolution. This allows customers to know at what stage any enquiry is and allows detailed customer service reporting and full visibility on queries detailing volume, response times and issues raised.

Financial Support and Control: Departments including Finance Support, Service Charge Accounting, Service Charge Invoicing and Credit Control and Collections to ensure funds are collected, monitored and accounted for in accordance with the lease.

Health & Safety and Compliance: Dedicated in house team to undertake Health & Safety Inspections. They will also provide additional assistance and advice on any compliance issues that may arise.

Legal and Technical Team: Assistance and advice on any legal, lease or technical issues that may arise and require further investigation and review. Through our legal and technical team, RMG also have the ability to assist developers and clients in the drafting of leases, best company structure, set up and ongoing advice on management.

Solicitors Enquiries Department: Assisting in property sales and transfers, liaising with solicitors and clients and providing documentation such as Deeds of Covenant, Notice to Assign and Deeds of Variation.

RMG's Management Approach for Dinting Lane.

RMG's approach to managing large developments differs from other managing agents as we offer more than just a dedicated property manager for the development. We believe for successful management, having a dedicated team that hold knowledge and experience of the site is more effective than just one key contact for the client and residents.

The team would include Operations Director, Justin Herbert, who would have overall responsibility for RMG's management of the development. Paul Latham, Regional Manager together with his associated team, would oversee the operational management. A dedicated and experienced Property Manager would be appointed to oversee the day to day management, support contractors on site and attend Dinting Lane on a quarterly basis.

RMG currently manage a number of developments with a similar set up to Dinting Lane where we have adopted this team approach which has worked very well.

RMG Service Delivery and Onsite Management.

To provide an excellent service RMG would assign a local Property Manager to each scheme who would have the full support of the infrastructure highlighted. They and RMG would work to a Service Level Agreement (SLA) developed for each of our schemes or clients. Details of our Service Level Agreement proposed for Dinting Lane can be found later in this document.

RMG understand that as a managing agent, we have to be transparent in our service as well as the cost. The Service Level Agreement is based on 4 main areas:

-  Communication
-  On Site Responsibilities
-  Financial Performance
-  Insurance

RMG will actively report in site inspections, finances and customer service statistics allows transparency of our costs and service.

Development Overview – Dinting Lane












Dinting Lane is a development made up of 20 houses across the estate. All units contribute towards an estate charge.





Within the estate there are areas of Public Open Space to be maintained, including trees and a retaining wall. In addition, we understand that there is a drainage system with associated attenuation tank and flow control that will fall under the estate.

We note the roads, pathways, drainage and street lighting will not be adopted by the local council and the costs associated with these items is to be funded by the Management Company. As such we have included within our assumptions and proposed budget.

RMG try to ensure the budget proposal matches your requirements for the scheme, we have outlined below some key considerations and assumptions we have made when constructing the tender and budget for Dinting Lane. If you have any comments or amendments to these points, please do not hesitate to contact us.

Notes & Assumptions

-  The legal framework for the scheme is based on a 3 party lease with a resident's management company (RMC) being incorporated.
-  Directors of Westshield Limited will retain the Directorships of the Management Company until such point when the development is handed over to residential control and resident directors are appointed from the homeowners.
-  Role of the Company Secretary to be undertaken by RMG has been included within the budget.
-  The Estate Charge is based upon all 20 units contributing an equal proportion. *If you would like the apportionments to be based on square footage or other method, if you are able to advise of the breakdown we would be happy to amend and provide this.*
-  The budget has been prepared based on the assumption that all roads, pathways, drainage and street lighting is retained by the estate and all associated costs funds by the service charge.
-  Management Fee's are based on the proposed Service Level Agreement provided.
-  Public Liability Insurance has been included to safeguard the estate based on £5,000,000.00 Limit of Indemnity. Please note Public Liability does not include any cover for material damage.
-  £50,000.00 of Material Damage Cover has been included for the private roads budget scenario to cover the roads, pathways and retaining walls.
-  The grounds budget has been based on the management plan provided, however this can be amended at a later stage should any new areas/items need to be included.
-  An allowance has been made for the drainage and SUDs system as identified.
-  No allowance has been made for the inspection, maintenance and repair of individual dwelling drainage as identified in correspondence from Westshield Limited.

-  No allowance has been made for gritting within the winter months.
-  No allowance has been made for communal water supplies on site and have made the assumption that each unit will be responsible for its own water supply.
-  No allowance has been made for any electrical vehicle gates on site.
-  Health & Safety- an allowance for an initial H&S inspection to be carried out has been incorporated into the budget however this may not be required annually pending on the level of risk determined by the H&S inspector

Pending any additional information, requirements of the development and requirements of yourselves we are able to review and amend any notes and assumptions made above, to fall in line with your expectations.

Estimate of Service Charge – Dinting Lane.

As per the below budget, each unit will be liable to contribute £288.09 for the initial management year. Please note this is a draft budget and can be tailored as seen fit.

Prior to the end of each financial year the budget will be reviewed in line with the actual expenditure and the budget will be set for the new year to ensure the charges are as in keeping as possible with the actual management requirements.

Dinting Lane, Glossop

V002

Draft Service Charge Budget- Roads Retained by Management Company

Budget Period:	TBC	to	TBC
Date of issue:	21.09.2017	Prepared by	EH
Type of Unit	Total	Estate	
No. of Units of Type		20	
% per Unit		5.00	
Total Cost	5,761.86	288.09	

<u>Contract Maintenance</u>		
Gardening & Sweeping	1,906.08	95.30
Drainage & SUD's Maintenance	400.00	20.00
<u>Insurance</u>		
Public Liability	330.00	16.50
Material Damage Cover	220.00	11.00
<u>Administrative</u>		
Management Fees	840.00	42.00
Audit & Accountancy	448.02	22.40
Company Secretarial	197.76	9.89
Health & Safety Inspection	300.00	15.00
Sundries	100.00	5.00
<u>General Repairs/Maint.</u>		
Minor Repairs	150.00	7.50
Elect. Repairs. Light Bulbs	150.00	7.50
Drain Repairs/ Cleaning	150.00	7.50
Retaining Wall Maintenance	100.00	5.00
<u>Other</u>		
Electricity - Common Parts	120.00	6.00
<u>Reserves</u>		
Reserve Fund	350.00	17.50
	£5,761.86	

This is a draft budget created on the current information provided and may be subject to change.
This budget is based upon all roads, pathways, drainage & street lighting being retained by the Management Company

Detail of Services – Dinting Lane.

The Service Charge covers a wide range of services that are required for on site. Please see the below information which gives an explanation of the items that the Service Charge budgets include.

Contract Maintenance

Gardening & Sweeping: An allowance for the provision of a maintenance contract to provide grounds maintenance to the communal grounds. See grounds specification for further detail.

Drainage & SUDs Maintenance: An allowance for the provision of a maintenance contract for the drainage systems, attenuation tank and associated flow control. See drainage specification for further detail.

Insurance

Public Liability Insurance: An allowance to cover the cost of Public Liability insurance for the communal areas including the Estate.

Material Damage Cover: An allowance to cover the cost of material damage for the roads, pathways and retaining walls across the estate.

Administrative

Management Fee: A fee for the provision of services provided by RMG in accordance with the Management Agreement and Service Level Agreement.

Audit & Accountancy: Covers the cost of RMG's services in relation to the preparation of accounts and an external independent audit. RMG produce Service Charge Accounts within 6 months of the year end for all developments for approval by the client. Once approved, the accounts are provided to all owners.

Company Secretarial Fees: Covers the cost of company secretarial services that are required for the administration and maintenance of the Management Company at Companies House

Health & Safety Inspection: An allowance for the Annual Health & Safety and Fire Risk Assessment, as required by law annually as required by law annually and to ensure the safety of the residents of Dinting Lane.

Sundries: An allowance for the cost of postage to allow for communications to be sent out to residents including newsletters and general letters. Also to cover the cost of any venue hire when residents meetings will take place.

General Repairs & Maintenance

Minor Repairs: An allowance for any minor repairs which may be required to the communal areas of the estate from time to time.

Elect. Repairs / Light Bulbs: An allowance for any electrical repairs which may be required to the communal areas from time to time and for the supply and fitting of light bulbs required.

Drain Repairs/Cleaning: An allowance for any drain repairs required on the roadways under the proposal for the roads being retained under management.

Retaining Wall Maintenance: An allowance for any repairs required to the retaining wall on site.

Other

Electricity – Common Parts: An allowance for the communal electricity supply for any electrical features that are part of the communal areas.

Reserves

Reserve Fund: A sum to be set aside for any unexpected, unbudgeted expenditure, items of major expenditure or periodic redecoration or works to the development.

Management – Service Level Agreement








RMG believe that it is fundamental that the service that we provide is measurable, fits the developments specific needs and can be monitored.

In line with these key factors, RMG have created a Service Level Agreement to ensure that this is the case and to ensure that the level of service is clear from the on set for both the Client and the Community.


The proposed Service Level Agreement for Westshield Limited and Dinting Lane is outlined below:

Service Area	Frequency
1 - Communication	
<ul style="list-style-type: none"> All customer emails and letters acknowledged within 24 hours, responded to within 5 days. Fully trained and monitored property teams answering all property related calls. All calls are tracked and receive unique reference number. Target for 80% of all property maintenance enquiries to be resolved within 24 hours. Customer Contact Centre agents empowered to instruct contractors. Property Manager available to meet individual residents / Client to discuss issues on request. Client meeting to review Service Level Agreement and Financial Performance. Annual Residential Meetings held, organised by RMG. Available to residents & local authorities Resident Surgeries arranged to allow for one-to-one appointments as an alternate for a residents meeting. Establish and maintain Resident Committee. 	<p>Continuous</p> <p>Continuous</p> <p>On Request</p> <p>Quarterly</p> <p>Annually</p> <p>As Required</p> <p>Continuous</p>
2 - On Site Responsibilities	
<ul style="list-style-type: none"> Detailed Site Inspection Report carried out by Property Manager and presented to the Client. Appointment and monitoring of contractors, re-tendering on instruction of the Client. Health & Safety Inspection Report – all issues identified and actioned by the Property Manager. <i>* please note this is not covered as part of the management fee.</i> Reactive repairs – instruction within 24 hours providing funds are available. Facilities Management – ensuring maintenance contracts in place, for all on site systems and soft services. 	<p>Quarterly</p> <p>Annually</p> <p>Annually or as required</p> <p>Continuous</p> <p>Continuous</p>

3 - Financial Performance




 Invoicing of Service Charges – providing budget and explanations notes upon issuance.	Annual
 Management of Arrears – tight monitoring and control of each stage of the recovery process.	Continuous
 Budget – produced a month in advance of period end and approved in a meeting with Client.	Annually
 Accounts – produce and review with Client.	Annually
 Payment of Contractors – within 30 days on receipt of invoice.	Continuous
 Financial Pack for Client – Ensuring all finances are being managed appropriately. This pack will include: report on arrears, expenditure for the period review, bank balance statement and budget comparison report.	Quarterly
 Reserve Fund Management – ensure account is ‘ring-fenced’ and appropriate amounts are accrued each year to meet the demands of the lease.	Continuous

4 - Insurance







 Claims – ensure all claims are actioned within 24 hours of receipt/ escalated where appropriate.	Continuous
--	------------

Contractor Specification- Grounds Maintenance

PROGRAM OF WORKS TO COMMUNAL AREAS ON A YEARLY BASIS INCLUDES:

-  Two visits each month from our maintenance team in March to October.
-  One maintenance visit in the winter months of November to February.
-  This provides the green leaf package of a **total twenty visits per year**.

LANDSCAPE MAINTENANCE DUTIES TO COMMUNAL AREAS:

-  Grass cutting and strimming twice a month in the season - March to October.
-  Shrubs and bushes present on site to be well maintained - pruned and shaped dependent on location and season.
-  Weed control – includes hand weeding, and application of herbicide spray to be applied by a qualified operative.
-  Moss and algae control carried out during winter maintenance visits on all walk ways and car parks.
-  All litter and debris will be collected that is detrimental to the appearance of the site.
-  All rubbish and general garden debris will be disposed of by the maintenance team.






It is a requirement, of both our clients and ourselves, that any contractor attending site on behalf of our client has appropriate Public Liability cover (minimum £5,000,000) Employers Liability Insurance, a satisfactory Health and Safety policy and adheres to all requirements of the Health & Safety at Work Act 1974 and, general good practice.



GUIDELINE ALLOCATIONS FOR LANDSCAPING MAINTENANCE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Site visits per month	1	1	2	2	2	2	2	2	2	2	1	1	20
Grass Cutting (where applicable)	1	1	2	2	2	2	2	2	2	2	1	1	20
Edging of all shrub beds and tree bases where appropriate		1			1			1			1		4
Weed spraying footpaths, kerb edges and shrub beds			1	1	1	1	1	1	1	1	1		9
Weeding all shrub beds and collecting any litter	1	1	2	2	2	2	2	2	2	2	1	1	20
Leaf Collection across whole site	1	1								2	1	1	6
Sweeping kerblines and corners where accessible. Pushing bark mulch back onto beds	1	1	2	2	2	2	2	2	2	2	1	1	20
Tree Maintenance						1				1			4
Removing suckers & epicormic growth from trees			1					1					
Light pruning of shrubs and roses as necessary			1	1	1	1	1	1	1	1	1		9
Hedge Cutting of all main hedges around site			1	1	1	1	1	1	1	1	1		9
Litter Picking across whole site	1	1	2	2	2	2	2	2	2	2	1	1	20

Contractor Specification- Drainage & SUDs Maintenance

PROGRAM OF WORKS TO DRAINAGE, ATTENUATION TANK AND ASSOCIATED FLOW CONTROL:

-  Inspection of drainage channels and gullies on a half yearly basis.
-  The maintenance team will keep the inlets and outlets of the SUDs free from debris and silt.
-  Inspection of the inlets and outlets twice per year or after large rainfall to ensure that they are still working correctly.
-  Inspection of the attenuation tank and flow systems on a half yearly basis to ensure in good working order.
-  Inspection of manholes, catchpits and inspection chambers on an annual basis to ensure in good working order and clear any debris or blockages.









In addition to the above, should any non- routine maintenance of the drainage system be required, the contractor will provide costings for any repair works and remedial works undertaken where necessary.

It is a requirement, of both our clients and ourselves, that any contractor attending site on behalf of our client has appropriate Public Liability cover (minimum £5,000,000) Employers Liability Insurance, a satisfactory Health and Safety policy and adheres to all requirements of the Health & Safety at Work Act 1974 and, general good practice.

Company Secretary Specification




The below outlines what is included within our quoted Company Secretarial fee's within the draft budget. We do offer a smaller service if required so please don't hesitate to ask if the full service is not desired.

Full Service:

-  Registered office address
-  Annual return
-  Keeping safe the companies statutory books
-  Provision of Service Address for Directors
-  Maintenance of the Register of Members
-  Maintenance of the Register of Officers
-  Compliance Audit
-  Liaison with the management companies accountants to ensure on-time filling of the company accounts
-  Filling at Companies House
-  Arrangement and Notification of General Meetings
-  Drafting of Resolutions
-  Attendance and Minute Taking at General Meetings
-  Business Advise as required
-  Amendments to Articles of Association

Please note there is no limit to the number of transactions to be completed within the quoted fee.

Should a full service not be required we are able to offer the below. Please don't hesitate to contact us for fee's.

-  Registered office address only
-  Annual return only
-  Registered office address & Annual return

Contact RMG

To ensure that communication between Westshield Limited and RMG remains open and trouble free, we are pleased to provide the below key contacts. This information can be freely communicated across your organisation.

Business Development Manager:	Emma Horton Mobile: 07816 297 909 Email: emma.horton@rmguk.com
Regional Manager:	Paul Latham Mobile: 07776 297 625 Email: paul.latham@rmguk.com
Regional Operations Director:	Justin Herbert Mobile: 07951 590 107 Email: justin.herbert@rmguk.com