

Middlegate Road, Kirton Landscape Management Plan

February 2020

Issue Control Sheet

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1.0 Introduction

This procedure sets out how the requirements of a Contract / Agreement between the resident's management company and Management Company are to be satisfied. This procedure also sets out the maintenance standards that Management Company and its sub- contractors will provide.

2.0 How the Residents Management Company works

Where a development has infrastructure such as amenity grass areas, play areas, pond, watercourse and trees, which will NOT be adopted by the local authority, there will be a need to establish a Residents' Management Company (RMC).

The RMC maintains and manages this private infrastructure, raising funds from residents who all benefit from them and who will, ultimately, own and control them. The RMC is responsible for maintaining the private infrastructure to agreed standards, and for the maintenance and upkeep of communal buildings (i.e. those made up of leasehold flats and maisonettes). In addition, the RMC is responsible for legally required inspections, including health and safety, insurance and other administrative matters.

The RMC sets an annual budget, issues service charge invoices and collects monies. It must then fulfil its obligations to provide services.

The RMC is set up as a company limited by shares (limited company). It must comply with the Companies Act and other legal and regulatory guidelines and maintain income and expenditure accounts, which are audited each year and filed at Companies House.

Initially, the RMC is controlled by Larkfleet Homes, through an 'A' membership in the company, which gives it sole voting rights. It also acts as Director of the RMC to ensure that the RMC runs smoothly for as long as Larkfleet Homes requires an interest in the company, or has an outstanding obligation. Directors are responsible for the day-to-day running and operation of the RMC and for ensuring that the company performs its obligations and continues on a sound financial footing. Directors determine policies such as the frequency of maintenance and the level of service charges to be levied.

As each property is sold, the owner is allotted a 'B' membership, which represents the property owner's interest in the RMC.

When Larkfleet Homes no longer requires an interest in the company, and has no outstanding obligations, it will resign its 'A' membership. The RMC will then be entirely owned by all property owners on the estate.

During the interim period, Larkfleet Homes through its agent will encourage members and residents to form a Steering Committee to act as the focal point for communication, to help ensure that the development is maintained to the agreed standard.

When a decision is taken to handover the site, the actual process may take a number of months. 'B' members nominate and vote for Directors to take over from Larkfleet Homes. Through these Directors, 'B' members can exercise control of standards and costs as they see fit.

A Director can resign at any time, or be removed by 'B' members in a process that is regulated through the Companies Act. The minimum number of directors required is one.

The RMC sets an annual budget to meet the costs of running the RMC and maintaining the estate. The annual cost depends upon the amount of private infrastructure for which the RMC is responsible, and the number of properties over which the costs can be spread. The budget is funded by an annual service charge paid by all property owners.

Every property owner is legally obliged to pay the service charge, as set out in the transfer document signed at the time of purchase. The service charge is the variable element of a legal payment obligation, called a Rent Charge (which also includes a fixed element of a nominal £1 per annum per property). The Rent Charge deed forms part of each property's purchase documentation.

Where there is a default, the Rent Charge deed provides for interest to be paid on late payments, and for the cost of any legal action for recovery to be paid by a late payer. If a debt remains unpaid, it may be referred to third party debt collection agencies and proceedings for debt recovery may be made through the County Courts.

The ultimate remedy for the RMC as owner of the Rent Charge, would be to "re-enter" (repossess) the property concerned.

All property owners pay towards the reserve fund, which is also sometimes called a 'sinking fund' or 'provisions', to build up a pot of money against the cost of major works to the private infrastructure that may become necessary in the medium or long term. Any changes in prices charged by contractors or suppliers to the RMC will affect the service charges that residents pay.

Whilst the communal non adoptable infrastructure are funded ONLY by the members on the development, the Deed of Covenant makes it clear that these assets are not private, and may still be used by the wider community.

The contractual relationships are outlined in Appendix 2.

3.0 Objectives

- The estate should be fit for its intended purpose of residential use
- The estate should be maintained so that it is safe so far as is reasonably practicable

4.0 Implementation

Estate Works

Routine maintenance and proactive maintenance activities are carried out either using:

1. Subcontracts with defined specifications.
2. Periodic inspections against defined inspection specifications, with works identified being prioritised and costed for implementation.

Reactive and emergency maintenance and repair activities are carried out in response to particular incidents, in accordance with defined levels of service.

Estate Services

Estate Services are provided by a combination of Management Company own staff, and sub consultants (e.g. meetings) and suppliers (e.g. audit of accounts)

Many Estate Services are the subject of “bulk purchase” agreements (e.g. Public Liability insurance, Audit Services). These bulk purchase agreements will enable the residents’ management company to benefit from economies of scale.

5.0 Management Company authority to commit Estate Works

Routine & proactive maintenance

The annual service charge budget approved by the RML Director includes budget lines for routine and proactive maintenance activities.

Where the contract prices / anticipated expenditure for these works are within the amount included in the approved budget, no further approval from RMC is required by Management Company to commit the works.

Non-Urgent Works & Estate enhancements

Where works are identified as desirable, a works brief and specification will be produced. Where required Management Company will seek a consensus of Members.

Once it has been agreed that works are to be undertaken, quotations shall be sought from suitably qualified contractors.

6.0 Estate Works: Specifications

This section sets out the specifications for the various estate works to be carried out under the contract.

Consultants, suppliers and contractors will be pre-qualified in accordance with Management Company pre-qualification procedures before being invited to tender for works.

6.1 Routine and proactive maintenance

6.1.1 Works carried out by sub-contractors:

The following standard contracts are to be maintained.

Grounds Maintenance

Grounds maintenance contracts shall be in place for the estate amenity areas. Works to be provided shall be as defined in the Estate Works Specification. Grounds maintenance contracts shall be reviewed annually, and may be retendered every 3 years.

Tree works

Tree works contracts shall be in place for the estate amenity areas containing trees. Surveys and works shall be carried out as defined in the tree works specification. Tree works contracts shall be reviewed annually, and may be retendered every 5 years.

Specific Exclusions

Routine and proactive maintenance works for which there is no line in the estimated service charge budget are not provided. In particular the following are excluded:

Footpaths	Gritting
Snow Clearance	

6.1.2 Periodic inspections

This section sets out the methodology to be adopted to identify routine and proactive maintenance and repairs using a programme of periodic inspections.

Procedure (Estates)

- Implement programme of annual estate and building surveys in accordance with the specification for surveys of private infrastructure (the survey specification)
- The survey specification defines the infrastructure included in the surveys and categories of defects and associated actions (repair, defer, ignore)
- Output of the survey is a costed programme of works for implementation
- Where there is an active steering committee for the resident's management company, they are to be consulted on the programme of works prior to implementation (other than for Health & Safety related works)

Specific Exclusions

The inspection specification focuses on identifying health and safety hazards from a visual inspection. Tests for infrastructure serviceability such as:

- To determine the skid resistance of footpaths is not included in the specification.

Procedure (Other)

Implement a programme of playground and tree, surveys at frequencies as set out below:

- | | |
|--|--------|
| • Playgrounds BS EN 1176 | Annual |
| • Trees as tree works specification | Annual |
| • Output of surveys is a costed programme of works for implementation within the next year. | |
| • Consult on the programme of works prior to implementation (other than for Health & Safety related works) | |
| • Request reactive maintenance works received from members which do not fit the standards criteria will be addressed during the next round of surveys. | |

Prioritisation of works and Implementation

- Works identified are prioritised by Management Company RMC Customer Account Manager. Reaction times depend on priority.
- Immediate health and safety issues identified on surveys or by contractors receive a high priority and are dealt with accordingly.

Reactive and Emergency maintenance and repairs

Reactive and Emergency maintenance and repair activities are carried out in response to particular incidents. These are normally reported via phone or email by members or 3rd parties from the estate.

The Emergency procedure defines the categories of incident for which a response “out of hours” will be made. All other incidents will be responded to “in hours”.

- Works identified are prioritised by Management Company RMC Customer Account Manager Reaction times depend on that priority.
- An urgent incident like a fallen tree will have a high priority and will usually be attended to the same day or next day.
- Similarly, immediate health and safety issues receive a high priority and are dealt with accordingly.

Works are generally carried out by a retained contractor (grounds maintenance, tree works) or from other approved contractors with whom agreements to work are in place.

7.0 Estate Services: Specifications

Close out of works and works references

- All open Qube references to be reviewed monthly
- Decisions for “action” or “no action” to be taken monthly
- Requests for reactive works items and estate enhancements to be referred to steering committees
- Decisions for “action” / “no action” to be passed to resident within 2 days of decision
- “No action” references to be closed after resident informed
- Average time to close “action” references to be tracked (but not published)

CDM and Planning Supervisor

Specific Exclusions

Design or supervision of works/ services carried out by sub - contractors or 3rd parties.

Health & Safety

- **To ensure the Health & Safety file of the Estate is managed and kept up to date.**
- Refer to Ad hoc estate inspection procedure
- Health & Safety is a standard agenda item for the annual shareholder meetings with residents. At this meeting, Residents are encouraged to report physical hazards so that they can be more speedily assessed and if necessary repaired
- Contractors are required to report obvious health and safety hazards

Technical Reporting

- Provide a concise annual technical report to the Company
- Financial report with Income and Expenditure to be posted on the intranet website quarterly (end April, July, October, January) including details of calls received and actions taken
- Website information to be maintained complete and up to date
- Website to be used for news items.

Appendix 1 Specifications and Procedures

This management procedure makes reference to the following contract, Estate Works specification and Procedures, and should be read in conjunction with these documents.

Contract

- Agreement for the Provision of Managing Agent Services

Specifications

- Surveys of Private Infrastructure
- Grounds Maintenance
- Tree works

Procedures

- Ad hoc inspections
- Consultation with shareholders
- Contact Logging
- Residents Meetings
- Debt Collection
- Reporting.

Appendix 2 Residents Management Company Contractual Relationships

