

# Residential Management Group

## Property Management Proposal For

Montague Place, Clitheroe

Miller Homes



INVESTORS  
IN PEOPLE



CUSTOMER  
SERVICE  
EXCELLENCE



The Government Standard



# RMG

Residential Management Group

Dear Ian,

Thank you for the opportunity to tender for the management services for your development at Montague Place, Clitheroe.

I trust that we have interpreted your requirements correctly and the charges are in line with your expectations.

RMG have a strong presence across the UK and following our acquisition by Places for People in April 2014 we now also benefit further from their substantial expertise and infrastructure.

We would welcome the opportunity to discuss our tender further and to outline how this proposal will ensure that the management services can be sustained long in to the future whilst building strong relationships with all key stakeholders.

In the meantime, if you have any queries please do not hesitate to get in touch.

Kindest regards

Antony Gore

Business Development Manager

Residential Management Group

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# Budget Introduction and Key Assumptions

To ensure the management proposal matches your requirements for the development at Montague Place, Clitheroe, I have outlined the considerations and assumptions made when constructing the tender. If you have any comments in regards to these points please do not hesitate to contact me.

## Notes & Assumptions

-  The legal framework for the scheme is based on a Management Company being incorporated to be responsible for providing the on-site services.
-  The budget is made up of one schedule and assumes an equal contribution from all 110 units.
-  Management Fees are based on the enclosed Service Level Agreement, found on page 6&7.
-  In line with the assumption that a Management Company is to be incorporated to be the responsible body for the estate, an allowance for the services of Hertford Company Secretaries (our Company Secretarial service) have been included with the budget.
-  It has been assumed that the financial year end as per the TP1 is to be 31<sup>st</sup> December. In line with this, an initial service charge budget has been created for the period of 1<sup>st</sup> January 2019 to 31<sup>st</sup> December 2019.
-  Public Liability insurance has been included to safeguard the estate
-  Health & Safety – an allowance has been included for a Health & Safety inspection to be carried out in year one. Inspections should continue be annually hereafter.
-  It has been assumed that there is no lighting to be maintained as part of the overall estate. If there is lighting to be maintained, the budget can be amended to reflect the likely expenditure including repairs & maintenance of the lights and the electricity supply.
-  The grounds maintenance cost has been based on the management plans provided, however this can be amended at a later stage should any new areas/items need to be included. See grounds specification for further information.

## Proposed Budget

MONTAGUE PLACE, CLITHEROE

V001

 Budget for period  
Date of this issue

01.01.2020

18.09.2020

to

31.12.2020

Prepared by

AG

| Type of Unit         | Estate |
|----------------------|--------|
| No. of Units of Type | 110    |
| % per Unit           | 0.91%  |

|                   |                  |                 |
|-------------------|------------------|-----------------|
| <b>Total Cost</b> | <b>21,995.00</b> | <b>£ 199.95</b> |
|-------------------|------------------|-----------------|

|                             |          |       |
|-----------------------------|----------|-------|
| <b>Contract Maintenance</b> |          |       |
| Play Area Inspections       | 2,810.00 | 25.55 |
| Grounds Maintenance         | 7,721.00 | 70.19 |
| <b>Insurance</b>            | -        | -     |
| Public Liability Insurance  | 975.00   | 8.86  |
| <b>Administrative</b>       | -        | -     |
| Management Fees             | 4,950.00 | 45.00 |
| Audit & Accountancy         | 1,375.00 | 12.50 |
| Company Secretaries         | 720.00   | 6.55  |
| Health & Safety Inspection  | 235.00   | 2.14  |
| Postage / Sundries          | 659.00   | 5.99  |
| <b>Repairs</b>              | -        | -     |
| General Repairs             | 1,300.00 | 11.82 |
| Electrical Repairs          | -        | -     |
| Contingency                 | -        | -     |
| <b>Utilities</b>            | -        | -     |
| Electricity                 | -        | -     |
| <b>Reserves</b>             | -        | -     |
| General Reserve Fund        | 1,250.00 | 11.36 |

\*Please notes this is a draft service charge budget and may be subject to change.

## Detail of Services

The Service Charge covers a wide range of services that are required for Montague Place, Clitheroe. Please see the below information which gives an explanation of the items that the Service Charge budget includes:-

### Contract Maintenance

**Grounds Maintenance:** An allowance for the provision of a maintenance contract to provide grounds maintenance to the communal grounds. See Grounds specification for further detail.

**Play Area Inspections:** An allowance for fortnightly inspections to the play area equipment installed.

### Insurance

**Public Liability Insurance:** An allowance to cover the cost of insurance to any communal areas covering claims made by a third party against an insured risk.

### Administrative

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

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

**Audit & Accountancy:** Covers the cost of RMG's services in relation to the preparation of accounts and an external independent audit.

**Sundries:** An allowance for the cost of postage to allow for communications to be sent out to residents including newsletters, general communications and serving the service charge accounts. Also to cover the cost of any venue hire costs 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 from time to time.

### Other

**Health & Safety Inspection:** An allowance for the Annual Health & Safety Inspection to ensure the safety of the residents of Chapel View. This inspection is to be carried out every 2 years following the handover of management.

### Reserves

**Reserve Fund:** A sum to be set aside for any unexpected, unbudgeted expenditure items of major expenditure for 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. RMG have created a Service Level Agreement to ensure that this is the case and to ensure that the level of service is clear.

| Service Area                                                                                                                                                                                                                                                                                                                                                                           | Frequency               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| <b>1 - Communication</b>                                                                                                                                                                                                                                                                                                                                                               |                         |
|  All customer emails and letters acknowledged within 24 hours, responded to within 5 days.                                                                                                                                                                                                            | Continuous              |
|  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. | Continuous              |
|  Property Manager available to meet individual residents / Client to discuss issues on request.                                                                                                                                                                                                     | On Request              |
|  Client meeting to review Service Level Agreement and Financial Performance.                                                                                                                                                                                                                        | Quarterly               |
|  Annual Residential Meetings held, organised by RMG. Available to residents & local authorities                                                                                                                                                                                                     | Annually                |
|  Resident Surgeries arranged to allow for one-to-one appointments as an alternate for a residents meeting.                                                                                                                                                                                          | As Required             |
|  Establish and maintain Resident Committee.                                                                                                                                                                                                                                                         | Continuous              |
| <b>2 - On Site Responsibilities</b>                                                                                                                                                                                                                                                                                                                                                    |                         |
|  Detailed Site Inspection Report carried out by Property Manager and presented to the Client.                                                                                                                                                                                                       | Quarterly               |
|  Appointment and monitoring of contractors, re-tendering on instruction of the Client.                                                                                                                                                                                                              | Annually                |
|  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>                                                                                                                            | Annually or as required |
|  Reactive repairs – instruction within 24 hours providing funds are available.                                                                                                                                                                                                                      | Continuous              |
|  Facilities Management – ensuring maintenance contracts in place, for all on site systems and soft services.                                                                                                                                                                                        | Continuous              |

### 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 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|

## SUDS Maintenance Plan

### Principles & Practice of Landscape Maintenance

A key feature of SUDS is their integration within the local landscape and their amenity contribution, and it is appropriate therefore that landscape maintenance practice is applied to their management. An advantage of using property managers and landscape contractors to maintain SUDS is that they are likely to have an intimate knowledge of the development and already visit the site on a regular basis to undertake routine care such as grass cutting, sweeping and litter picking. This attendance should ensure regular monitoring of the drainage system, a rapid response to maintenance needs, and a feeling of ownership of the SUDS features

The principles of landscape maintenance have been established for some time and designers of SUDS have an opportunity to use existing management techniques to develop management plans and maintenance contracts. For large complex sites, the following landscape maintenance procedures are usually applied. These can be simplified for smaller development areas:

-  Management Plan - describing the management objectives for a site over time, and the management strategies that will be employed to both realise these objectives and reconcile any potential conflicts that may arise.
-  Specification - detailing the conditions under which the work will be done, the materials to be used and the standard of work required.
-  Schedule of Work – itemising the tasks to be undertaken and the frequency at which they will be performed.

### Maintenance Requirements of Sustainable Drainage Components

#### Regular Maintenance Activities

-  Regular grass cutting – in line with Landscape Maintenance Specification.
-  Litter removal – in line with Landscape Maintenance Specification.
-  Inlet & outlet cleaning (if present) – at least twice per year.

#### Occasional Maintenance

-  Periodic removal of excess silt - around 20-30% normally removed once per year.
-  In the event of reduced permeability (infiltration swales only), a number of techniques can be used to open the surface to encourage infiltration:
  - Scarifying to remove ‘thatch’;
  - Aeration equipment to encourage water percolation;

- Chisel or slitting tines, solid tines (spikes), hollow tines, and vibratory tines;
- Remove and replace grass and top soil (last resort).

 If silt accumulation is a problem:

- Remove (reuse or compost) turf
- Remove accumulated silt (subject to toxicity test) and land apply or dispose of to tip
- Cultivate remaining topsoil to levels
- Reuse or re-turf area to agreed levels

## Remedial Works

The following items can often be managed out through good design. Where they are found to be necessary, this is likely due to site-specific characteristics or unforeseen events, and as such their frequency is difficult to predict:

-  Reinstatement of edgings to hard surfaces
-  Repair or relocation of damaged barriers
-  Reinstatement of levels & turf due to erosion by rills or gullies
-  Lifting turf, disposal of silt accumulation & reinstatement with new re-cycled topsoil & turf
-  Realignment of rip-rap or other erosion controls
-  Repair/rehabilitation of inlets, outlets & overflows
-  System rehabilitation following high silt loads discharged during a single event (see procedure in occasional maintenance).

## Monitoring

-  Monthly visual inspections will be undertaken, particularly during the vegetation establishment period & after significant storm events to:
  - identify areas of erosion, scour or gullies
  - identify locations of silt deposits
  - determine the health of the vegetation & soil
  - identify areas of excessive water logging or other damage
-  Filter strips and swales accumulate silt naturally due to their primary position in the SUDS 'management train' sequence. The accumulation of silt occurs slowly, unless there is an unforeseen incident or badly managed construction site.
-  In the event that swales develop a 'wet' swale character, then manage as wetland vegetation.

## Storms

In the event of a storm occurring the SUDS will be inspected to ensure the inlets and outlets are clear. If they are not clear, steps will be taken for any blockages to be removed.

A further inspection will take place following the storm to make sure no damage has occurred and any repairs will be arranged to be completed.

## Pollutants

In the event of pollutants entering the SUDS features, RMG will instruct a specialist to attend to assess the situation, carrying out the appropriate testing and if required, arrange for the removal of any pollutants. The cost of which will be in addition to the SUDS maintenance contract.

## Grounds Specification

### 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 two 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.
- Tree Maintenance – Removal of suckers and epicormics grown from trees
- 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.
- Regular Inspections to the SUDS as stated within the management plan.

It is RMG's requirement that any contractor attending site on behalf of our client in addition to general good practice:-

- has appropriate Public Liability cover (minimum £5,000,000)
- has appropriate Employers Liability Insurance
- has a satisfactory Health and Safety policy
- adheres to all requirements of the Health & Safety at Work Act 1974

## Company Secretarial Services

The below outlines what is included within our quoted Company Secretarial fee's as part of the draft service charge budget. We do offer a further minimal service if required which can be tailored as needed.

### 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
-  Filing 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 the amended fees for these minimised services.

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

## Contact RMG

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

**Head of Property (North) :**

**Paul Hitchen**

Mobile: 07919 391 537

Email: [paul.hitchen@rmguk.com](mailto:paul.hitchen@rmguk.com)

**Business Development Manager:**

**Antony Gore**

Mobile: 07908 713034

Email: [antony.gore@rmguk.com](mailto:antony.gore@rmguk.com)