

MANAGEMENT AGENCY AGREEMENT

BETWEEN **The Client:**
 Company Number:

AND **The Manager:**
 Address:

FOR **The Property:**
 Address:

FROM **The Starting or Renewal Date:**

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1 Definitions

- 1.1 The 'Client' means the residents 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: Barnard Cook London Ltd trading as Barnard Cook.
- 1.3 The 'Property' is the block, 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 any additional services in Appendix IV.
- 1.7 'Term' means the term or period specified in the fee agreement in Appendix I.
- 1.8 The 'Parties' means the Client and the Manager.
- 1.9 'RICS' means the Royal Institution of Chartered Surveyors

2 Appointment

- 2.1 The Client appoints the Manager to be its managing agent for the Property for the Term.

3 Services to be provided by the Manager

- 3.1 The Manager will perform with reasonable care, skill, and diligence the Services set out 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 the Additional Charges as set out in Appendix IV.

4 Conduct of the Manager

- 4.1 The Manager will comply with the terms of the lease of the Property.
- 4.2 The Manager will comply with the requirements of the Service Charge Residential Management Code of the RICS as appropriate.
- 4.3 The Manager will comply with relevant legislation and regulations concerning the management of the Property.
- 4.4 The Manager will hold professional indemnity insurance cover and maintain it during the Term. On request, the Manager will give the Client a copy of the certificate of insurance.
- 4.5 The Manager will comply with the rules of the Financial Conduct Authority when carrying out any regulated insurance activities.

- 4.6 The Manager will at all reasonable times allow the Client access to all records and accounts appertaining to the management of the Property.
- 4.7 The Manager confirms its registration under the Data Protection Act and its compliance therewith. The Manager will hold the Client's data in accordance with its Data Protection Policy and confirms that suitable procedures are in place to safeguard such information from improper use or disclosure. The Manager may provide the Client's data to a third party, if necessary, for the effective management of the Property.

5 Conduct of the Client

- 5.1 The Client will not issue any instructions to the Manager that require it to breach the leases of the Property, legislation, the recognised Codes of Practice, or any regulations relating to the management of the Property.
- 5.2 The Client will act in a manner that ensures there is no unlawful discrimination in the provision of services, the sales and lettings of units at the Property and the employment of any staff or contractors.
- 5.3 The Client will not give instructions to the Manager's staff working solely on-site at the Property. Any instructions should be given through the Manager's representative as agreed between the Parties.
- 5.4 Unless otherwise instructed, the Manager will place Engineering Insurance, and Directors and Officers liability insurance on behalf of the Client. Where the Client makes its own arrangements, it must notify the Manager and provide a copy of any such insurance certificate.
- 5.5 Where the Client arranges their own Buildings/Property Owners insurance they must include a Managing Agents Subrogation Waiver clause in all policies. Where this is not included the Client fully indemnifies the Manager against any insurers subrogation claims.
- 5.6 The Client will keep the Manager informed of any notices, sales of leaseholds or freehold, possible formation of resident associations, exercise of the right to manage, enfranchisement and any other matter relating to the management of the Property of which the Client becomes aware.
- 5.7 When oral instructions are given by the Client to the Manager, these should be confirmed in writing by post or email within 7 days.
- 5.8 The Client will provide all documentation, financial, legal, and other to enable the Manager to provide its services under this Agreement. Otherwise the Manager will attempt to obtain whatever is needed elsewhere at the Clients expense (e.g. from the Land Registry).
- 5.9 The Client acknowledges that it is wholly responsible for complying with all applicable Fire and Health and Safety Legislation including (but not limited to) the Fire Safety Order 2005, Fire Safety Act 2021 and Building Safety Act 2022.

6 Commissions

- 6.1 If the Manager administers utilities, buildings or other insurances, on the Client's behalf then they will be entitled to any commission paid. The Manager will endeavour to arrange any insurance at the best terms for the Client irrespective of whether commission is paid.
- 6.2 The Manager will disclose details of any commissions received upon the written request of the Client.

7 Fees and charges

- 7.1 The fees and charges payable by the Client to the Manager are as set out in Appendices I and IV and are payable without any right of set-off against any other account with the Client.
- 7.2 The Client authorises the Manager to deduct the Management Fee and Additional Charges from the client bank account quarterly in advance or when billed.
- 7.3 The Client may pay the Manager a setting up fee as specified in Appendix I for the work involved in setting up the management, financial and accounting arrangements for the Property, payable on signing the agreement.
- 7.4 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 4% over base rate of Barclays Bank from the date the fee or charge became due until the date of payment.

8 Handling of Client's Money

- 8.1 The Manager will comply with statutory and RICS rules for banking and holding any funds of the Client in clearly designated bank accounts, such funds to be held in trust.
- 8.2 The Manager will open designated client bank accounts on behalf of and in the name of the Client or Property for the receipt of all money due to the Client and the payment of expenses relating to the Property.
- 8.3 The Client authorises the Manager to make payments for the benefit of the Property from the designated bank accounts held for the Property.
- 8.4 The Client authorises the Manager to deduct any outstanding Management Fee and Additional Charges from the designated accounts upon termination of this agreement.
- 8.5 Any interest earned on the designated accounts shall be a credit to those accounts.
- 8.6 The expenditure authorisation limit of the Manager without referral to the Client shall be £1000 per item (exclusive of VAT).
- 8.7 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.
- 8.8 The Client will pay for any Transaction Charges levied by the Bank in relation to the operation of their accounts (e.g. processing of cheques, direct debits, etc).

9 Liability

- 9.1 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 such defect be latent or apparent upon examination.
 - d) The act, omission, or insolvency of any person other than the Manager.
- 9.2 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 9.1 (a) to (d) above.
- 9.3 The Client indemnifies the Manager against all costs, expenses, and liabilities (including legal costs) properly incurred in performing the Services under this Agreement.
- 9.4 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 9.1 (a) to (d) above unless it be as a result of the Manager's negligence.
- 9.5 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.
- 9.6 The Manager's aggregate liability to the client for negligence or breach of this Agreement shall be limited to the amount of cover specified in the Managers professional indemnity insurance policy.

10 Assignment

- 10.1 This agreement may be assigned by the Manager provided it gives the Client written notice. This does not prevent the Client from terminating this agreement under Clause 11.
- 10.2 The Manager may subcontract or delegate its rights and obligations under this agreement. This does not prevent the Client from terminating this agreement under Clause 11.

11 Ending this Agreement

- 11.1 This agreement may be ended at any time by the mutual consent of the parties in writing.
- 11.2 The agreement may be ended by one party serving a minimum of three months written notice to the other party.

12 Renewal of this Agreement

- 12.1 In the event of a new management agreement not being mutually agreed by the end of the Term and neither party having terminated this Agreement in accordance with the provisions

of Clause 11, the Manager will continue to provide the services until such date as the Client issues instructions in accordance with Clause 11. If this occurs the Manager may reasonably review its fee in continuing to provide the services by a minimum of the amount that the 'Consumer Prices Index including owner occupiers Housing costs' (CPIH) has increased over the preceding Term or 5% (whichever is higher).

- 12.2 Additional Charges, as set-out in Appendix IV, may be amended as needed by the Manager subject to market conditions, legislative changes or where the provision of such services has materially changed.

13 Dispute Resolution

- 13.1 If any dispute arises out of this Agreement, the Parties will attempt to settle it by negotiation.
- 13.2 If the Parties have not settled the dispute by negotiation within 56 days from when the dispute began the Client can refer the dispute to the relevant Ombudsman scheme of which the Manager is a member.

Appendix I – Fee Agreement

- The **PROPERTY** is
- The **TERM** of the Agreement is **ONE YEAR**
- The **STARTING** or **RENEWAL DATE** is
- The **SETTING-UP FEE** is **£ 0.00 +VAT**
- The **MANAGEMENT FEE** is **£ +VAT** per annum

The Signatories

Client Name:

Signed on behalf of the Client:.....

NAME:

POSITION: Director

Manager Name:

Signed on behalf of the Manager:.....

NAME:

POSITION: Director

Dated:.....

Appendix II – Standard Management Services

Financial

1. Operating designated trust status client bank accounts with Barclays to be utilised for all incoming and outgoing financial transactions.
2. Preparing an annual draft budget, agreeing this with the Client, preparing then submitting periodic demands and collecting service charges; in accordance with the lease or other legal documentation relevant to the property.
3. Arrears control including issuing reminders, final notices, and administration fees for unpaid service charges; in line with the requirements of the lease and the late payment policy.
4. Making payments to suppliers, contractors, insurers, and others as may be appropriate.
5. Bank reconciliations, preparing and submitting regular financial reports to the Client. Reports will contain details of expenditure, income, and arrears for the period in question, and a comparison of expenditure for the year-to-date against the budget.
6. Producing year-end financial reports for the Client's accountants and answering enquiries if required. Once the accounts are produced by the accountants, circulating these to the lessees/owners as necessary, and applying any balancing credits/debits as per the lease.

Property

7. Advising generally on proper management of the Property. Keeping records and documentation in relation to the Property, lessees/owners, finances, and other relevant matters.
8. Attending to routine enquiries and account queries from lessees/owners.
9. Making visits to the Property, as necessary, to ensure proper day-to-day running and to inspect the general condition.
10. Engaging required contractors for general repairs, maintenance, and monitoring.
11. Arranging and monitoring maintenance contracts for plant and equipment.
12. Administering buildings and other insurances to keep the Property correctly insured as required by the lease.
13. Attending one Annual General Meeting (or EGM/lessees meeting) and up to four Directors meetings per year during office hours.

Appendix III – Company Secretarial Services

1. Ensure the company is run according to the Memorandum and Articles of Association.
2. File the changes in the directors, members and share capital which occur during the year with Companies House.
3. Hold and update the membership and share registers and issue shares as required.
4. Provide the registered office for the company to which all reminders, letters and correspondence will be sent from Companies House.
5. Provide the publicly available registered address and contact details for all Directors, to which all reminders, letters and correspondence will be sent from Companies House or other parties.
6. Prepare and file the annual return / confirmation statement at Companies House and/or dormant accounts as required.
7. Maintain the company's books and records for inspection.
8. Send out notices for the Annual General Meeting.
9. Arrange up to four Directors meetings in office hours.
10. Attend the AGM and distribute minutes to all shareholders/members.