

# Michael Carrington

PROPERTY MANAGEMENT

**MANAGEMENT AGREEMENT**

**BETWEEN**

**Property:**

**AND**

**MICHAEL CARRINGTON PROPERTY MANAGEMENT LIMITED  
(Carrington's)**

196 New Kings Road  
London  
SW64NF

**THIS AGREEMENT** is dated

**PARTIES:**

- Property Name**
- (1) (company number \_\_\_\_\_) a company incorporated in England and Wales whose registered offices are at \_\_\_\_\_  
("Client"); and
- (2) **MICHAEL CARRINGTON PROPERTY MANAGEMENT LIMITED** (company number 14015654) a company incorporated in England and Wales whose registered office is at 196 New Kings Road, London, SW6 4NF (the "**Service Provider**").

**WHEREAS:**

- (A) The Client is the registered owner of the Property.
- (B) The Property is subject to Leases which contain obligations on the Client in relation to provision of the Core Services and the Additional Services to the Lessees.
- (C) The Client wishes to appoint the Service Provider to provide the Core Services and the Additional Services (where specified or agreed in writing) on its behalf in respect of the Property and pursuant to the terms of this Agreement.
- (D) The Agreement in its entirety shall include and comprise the following documents:
- Appendix 1 – Core Services
  - Appendix 2 – Additional Services
  - Appendix 3 – Complaints Procedure for Managing Properties

**AGREED TERMS**

**1. DEFINITIONS**

The following words and expressions where used in this Agreement have the meanings given to them below:

"**Additional Payment**" means the additional fees payable to the Service Provider for the Additional Services as set out in this Agreement or agreed in writing by the parties.

"**Additional Services**" means those services described in Appendix 2 which may be provided by the Service Provider where agreed with the Client in accordance with the terms of this Agreement for the Additional Payment.

"**Agreement**" means this agreement including the Appendices annexed hereto.

"**Core Services**" means:

- (a) those services the Client must provide to the Lessees pursuant to the Leases; and
- (b) those services set out in Appendix 1; in each case to be provided by the Service Provider on behalf of the Client to the Lessees in accordance with this Agreement for the Management Fee (save where stated that the Client will retain responsibility for the provision of such services).

"**Documents**" means copies of and extracts from any plans, drawings, specifications, calculations, records and other documents prepared by or on behalf of the Client (other than by the Service Provider) in relation to the Property and all revisions and additions thereof.

"**Estate Management Staff**" means staff directly employed by the Service Provider to work on site at the Property whether or not wholly engaged at the Property, including site based and roving supervisory staff.

"**Expenses**" means:

- (a) all sums arising while managing the Property either incurred by the Service Provider
- (b) or by a third party instructed by the Service Provider on behalf of the Client whether recoverable from Lessee or not; and all out-of-pocket expenses, disbursements and outlays reasonably and properly incurred by the Service Provider in carrying out its duties under this Agreement.

"**External Service Providers**" being any third-party service providers instructed by the Service Provider on the Client's behalf to carry out works or provide services to the Property.

"**Group Company**" means any holding company of a party, and any subsidiary of a party or any such holding company, "holding company" and "subsidiary" having the meanings attributed in section 1159 of the Companies Act 2006.

"**Initial Term**" means the period of one year less one day.

"**Insolvent**" means that a party:

- (a) enters into voluntary liquidation (other than for the purpose of reconstruction or amalgamation not involving a realisation of assets) or has a winding-up order made against it by the court or has a receiver appointed over all or any part of its assets or an administration order is made pursuant to the Insolvency Act 1986; or
- (b) becomes insolvent or enters into any composition with its or his creditors or enters into a voluntary arrangement (within the meaning of the Insolvency Act 1986 Sections 1 or 253) or becomes subject to any procedure for the taking of control of its or his goods by another.

"**Lease**" means a residential or commercial lease for the occupation of each part of the Property and "**Leases**" means each and every one of them and "**Commercial Leases**" means those Leases which are commercial leases.

"**Lessee**" means a residential or commercial lessee of part of the Property under a Lease and "**Lessees**" means all of them.

"**Management Information**" means information in relation to the Property and the provision of the Core Services where instructed and so far as is reasonable including, but not limited to, designs, models, drawings, prints, samples, transparencies, specifications, reports, manuscripts, working notes, documentation, manuals, photographs, negatives, tapes, discs and software.

**"Management Fees"** means those professional fees charged on the units at the Property as set out at Appendix 1 (Part A) and which are subject to change following the issue of a new Service Charge Budget, such fees to be payable to the Service Provider for the provision of the Core Services.

**"Non-Mandatory Services"** means all such services specified in the Leases as services which the Client may, but is not obliged to, carry out pursuant to the terms of the Leases.

**"Pre-approved Additional Services"** means those Additional Services which are pre-approved by the Client at the date of this Agreement and listed in Part A of Appendix 2 along with the scope of work, whether the Service Provider must seek the Client's prior approval before provision, and the details of the Additional Payment (as to amount, method of calculation and party responsible for payment) and which are within the Service Provider's authority.

**"Property"** means \_\_\_\_\_.

**"Property Management Strategy"** means (only if the Service Provider and the Client agree it as an Additional Service in accordance with Appendix 2, Part B) a strategy document to be prepared by the Service Provider for the Client in relation to the management of the Property.

**"Services"** means the Core Services and (where agreed by the parties) the Additional Services.

**"Service Charge"** means all service charge monies (including any VAT), that are payable under the Lease(s) by the Lessee(s) to the Client.

**"Service Charge Account"** means a designated interest-bearing client account maintained on trust by the Service Provider for the Client with Barclays Bank Plc (or such other institution as may from time to time be agreed between the parties) to be held in accordance with the provisions of S.42 of the Landlord and Tenant Act 1987 into which Service Charges will be paid when they fall due and in respect of which the Service Provider shall have the authority to make payments in respect of Core Services and those Additional Services in respect of which the Additional Payment is to be reimbursed from the Service Charge.

**"Service Charge Budget"** means, in respect of any given Service Charge Year, the budget for Service Charge in respect of that Service Charge Year.

**"Service Charge Year"** means each successive period of 12 months in relation to which Service Charge is demanded pursuant to the Leases.

**"Term"** shall have the meaning set out in clause 7.1.

**"Transferee"** shall have the meaning set out in clause 10.6.

**"VAT"** means Value Added Tax as defined in the Value Added Tax Act 1994 or any equivalent tax.

## **2. INTERPRETATION**

2.1 Unless the context otherwise requires, words in the singular include the plural and, in the plural, include the singular.

2.2 Clause and appendix headings shall not affect the interpretation of this Agreement.

2.3 References to clauses and appendices are, unless otherwise provided, references to the clauses of and appendices to this Agreement.

- 2.4 A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 2.5 Unless a right or remedy of a party is expressed to be an exclusive right or remedy, the exercise of it by a party is without prejudice to that party's other rights and remedies.
- 2.6 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 2.7 A person includes a corporate or unincorporated body (whether or not having separate legal personality).
- 2.8 Writing or written includes faxes but not e-mail.

### **3. SERVICES**

- 3.1 The Client appoints the Service Provider, and the Service Provider agrees to provide the Core Services and (where specified or agreed in writing) the Additional Services to the Client for the Term pursuant to the terms and conditions of this Agreement. In providing the Core Services and any agreed Additional Services, the Service Provider shall always ensure that any of the Service Provider's Personnel who are engaged in the provision of any of the Core Services and the Additional Services shall, if required by the Client, acting reasonably, attend such meetings at the premises of the Client or elsewhere as set out in this Agreement.
- 3.2 Subject to clauses 3.3 and 3.4, the Service Provider shall notify the Client in writing as soon as it becomes apparent that any Additional Services will or may be required prior to commencing the performance of such Additional Services.
- 3.3 In respect of those Additional Services which are Pre-approved Additional Services marked with "✘" in the second column of the table in Part A of Appendix 2, no prior notification or additional approval shall be required from the Client before the Service Provider provides (whether directly or through an External Service Provider) such Services.
- 3.4 In respect of:
- 3.4.1 those Additional Services which are Pre-approved Additional Services marked with "✓" in the second column of the table in Part A of Appendix 2; and
- 3.4.2 those Additional Services listed in Part B of Appendix 2,
- the Parties shall use their reasonable endeavours to agree the scope of work and the Additional Payment without unreasonable delay. The Additional Payment will be assessed by the Parties on a fair and reasonable basis having regard to the payment information set out in Appendix 2 (where applicable) and any estimates submitted by the Service Provider.
- 3.5 If the Service Provider has notified the Client that it believes Additional Services will or may be required but the Service Provider (acting reasonably and in the interests of good estate management) is unable to provide such Additional Services (including any Pre-Approved Additional Services) itself, the Service Provider shall be permitted to appoint an External Service Provider in accordance with the terms of this Agreement and the relevant provisions in clause 3.4 and Appendix 2 shall apply to such Additional Services.

- 3.6 The Service Provider shall not be obliged to perform any Additional Services until the scope of work, timing, and the Additional Payment in respect of the Additional Services is agreed by the Client or otherwise determined in accordance with the terms of this Agreement.
- 3.7 For the avoidance of doubt the Client shall be at liberty to source any property related services which are outside the scope of this Agreement, or which are additional to the Services or which are any of the services listed under the head "Additional Services" in Appendix 2 from a provider or providers other than the Service Provider.

#### **4. SERVICES NOT INCLUDED**

Our service does not include items such as preparation of lease plans, re-letting of premises, management of let premises, professional services in relation to rating, applications for Freeholder's consent to assignments, applications for Freeholder's consent to sub-lettings, changes of use, determinations of fair rent under the Rent Act 1977, large insurance claims relating to the Freeholder, applications for grants, valuations for annual or capital values, attending court hearings and giving evidence if required in relation to recovery of service charges, rent or other charges, preparing schedules of dilapidations or condition, or the consideration of applications by Leaseholders to carry out alterations. All the above are exceptional and may be carried out by Carrington's but on agreement that a fixed fee is applicable and charged to the applicant or the Client (as the case may be). Please refer to Appendix 2.

#### **5. CLIENT'S AGREEMENT**

The Client agrees to assist Carrington's in the performance of its duties, specifically in enforcing all the terms of the leases and taking legal action against Leaseholders as required. The Client will also comply with the Client/Freeholder's own obligations under the leases and will provide Carrington's with copies of the relevant freehold and leasehold documents for the property.

#### **6. THE MANAGEMENT FEES**

- 6.1 Carrington's will act as Managing Agents for a fee of **£ + VAT per unit per annum**.
- 6.2 The management fee will be reviewed annually thereafter in line with inflation and actual management costs subject to agreement between the Service Provider and the Client.
- 6.3 Payment of the Management Fees shall be made by the Service Provider withdrawing the relevant amounts from the service charge account quarterly in advance, provided that any invoice relating to any such Management Fees which shall have been deducted from sums collected by the Service Provider shall be marked by the Service Provider to indicate that such Management Fees have been paid and shall show the date upon which payment was made. On request by the Client, the Service Provider shall promptly provide the Client with copies of these supporting invoices.
- 6.4 To the extent the Service Provider is not able to collect some or all of the Management Fees from the service charge monies collected pursuant to this Agreement, the Client shall be responsible for the payment of such Management Fees, which amount shall be paid within ten business days of the date of receipt of the relevant invoice.

6.5 The Service Provider and Client shall agree in writing any Additional Payment payable for Additional Services to be provided pursuant to clause 3.

6.6 Major Works Project Management – see Appendix 2 Part A.

6.7 Section 20 Administration - see Appendix 2 Part A.

## **7. TERM AND NOTICE PERIOD**

7.1 This agreement is for a term of one year less one day from the Commencement Date (the “Term”).

7.2 This Agreement may be terminated by notice in writing as follows (which notice shall include the effective date of termination):

7.2.1 by either party immediately if:

- (a) there is the making of an order or the passing of a resolution for the liquidation, bankruptcy or winding up of the other party, otherwise than for the purpose of a reconstruction or amalgamation without insolvency;
- (b) the other party ceases or threatens to cease wholly or substantially to carry on its business, otherwise than for the purpose of a reconstruction or amalgamation without insolvency;
- (c) the other party is deemed unable to pay its debts as and when they fall due;
- (d) the other party has a receiver or administrator or other similar officer appointed in respect of all or any material part of its assets; or
- (e) the other party becomes subject to financial sanctions as published by HM Treasury.

7.2.2 by either party if the other party commits a material breach or persistent breaches of its obligations under this Agreement and, in the case of a breach capable of remedy, fails to remedy that breach within 30 business days of being served with a written notice specifying the breach and requiring it to be remedied;

7.2.3 by either party on at least three months' written notice to the other party at any point during the Term.

7.2.4 by the Client on 14 business days' notice upon a disposal of its interests in the Property.

7.3 If either party gives notice of termination of this Agreement pursuant to this clause 7 the Service Provider shall continue to provide the Services as required by the Client until the effective date of termination.

7.4 In the event of termination of this Agreement, and without prejudice to any claim which one party may have against the other, the Service Provider will:

- 7.4.1 take such steps as the Client may reasonably require to facilitate the handover of the management of the Property and the provision of the Services in accordance with the terms of this Agreement to the Client or to whichever third party the Client so directs;
- 7.4.2 transfer the balance of any monies held in the service charge account maintained by the Service Provider (if there is such an account and if it is maintained by the Service Provider and there are monies in it) as the Client directs after deducting all Fees due to the Service Provider which are properly payable out of the service charge account (if any);
- 7.4.4 provide a status report in respect of all matters recently completed, ongoing, outstanding or impending in relation to the Property;
- 7.4.5 within 30 business days after the termination of this Agreement, provide to the Client a record of all monies received, held and expended by the Service Provider since the previous set of accounts and make payment of any sums due to the Client; and
- 7.4.6 be entitled to the balance of Fees due in respect of Services provided up to the date of termination, apportioned on a daily basis where appropriate and the Client will pay to the Service Provider, after taking into account amounts previously paid, a pro rata amount due by way of Fees in respect of the Services provided from the Commencement Date up to the effective date of termination given in the notice.
- 7.5 Termination of this Agreement shall be without prejudice to any other rights or remedies which the Client and the Service Provider may possess for any prior breaches of this Agreement and shall not affect the obligations of the parties under clauses 10 (Limitation of Liability), 9 (Future Terms of this Agreement) or any other provisions of this Agreement which are expressed to survive termination.

## **8. COMPLIANCE WITH THE PROVISION OF SERVICE REGULATIONS 2009 (as amended)**

Carrington's has provided the Client with the following information:

- Details of its legal status: Limited company registered in the UK, company number 14015654
- Its office address for communication including email address and telephone numbers: see cover page (email: office@mcarrington.co.uk)
- VAT registration number: 414 4437 17
- A copy of its complaints handling procedure: appended to this document at Appendix 4
- Details of the Public Indemnity policy that it holds: £3m with Hiscox

## **9. INSURANCE**

- 9.1 The Service Provider shall at all times carry and maintain in force for the duration of this Agreement:
- 9.1.1 employer's liability insurance for a minimum amount of £5 million in respect of each and every claim;
- 9.1.2 professional indemnity insurance cover in an amount of at least £2 million in respect of each and every claim; and

9.1.3 any other insurances as may be reasonably necessary or prudent for the performance of this Agreement.

## **10. FUTURE TERMS OF THIS AGREEMENT**

- 10.1 This Agreement shall be governed by and construed in all respects in accordance with English law and the parties agree to submit to the exclusive jurisdiction of the English Courts or English Employment Tribunals in respect of this Agreement.
- 10.2 If any provision of this Agreement shall be unenforceable for any reason but would be enforceable if part of it were deleted, then it shall apply with such deletions as to make it enforceable.
- 10.3 Should a legal dispute arise between the Client/Freeholder and the Service Provider; they shall apply to the Ombudsman Service: Property for a review of the situation and shall abide by the Ombudsman's final decision.
- 10.4 The Client and the Service Provider agree to pay their own legal costs associated with this Agreement and any ancillary agreements.
- 10.5 This Agreement may be amended only by written agreement between the Client and the Service Provider.
- 10.6 Either party may assign its rights and obligations under this Agreement to a third party (the "Transferee") with the prior written consent of the other party, such consent not to be unreasonably withheld or delayed, provided that the Transferee undertakes for the benefit of the other party to perform with effect from the date of assignment all of their obligations under this Agreement in place of the original party. A party's consent is not required in the case of assignment to one or more Group Companies.

## **11. LIMITATION ON LIABILITY**

- 11.1 In no event shall Michael Carrington Property Management Ltd be liable to the Client for any special, indirect, incidental, consequential, or punitive damages, including, but not limited to, loss of profits or loss of business, whether based on contract, tort, or any other legal theory, even if Michael Carrington Property Management Ltd has been advised of the possibility of such damages. Michael Carrington Property Management Ltd's total liability to the Client for any and all claims arising out of or related to this Agreement, whether based on contract, tort, or any other legal theory, shall not exceed £2 million.
- 11.2 Nothing in this Agreement shall exclude or limit a party's liability for death or personal injury caused by that party's negligence or any liability or remedy in respect of fraud or fraudulent misrepresentation.

**12. NOTICES**

- 12.1 Any notice under this Agreement shall be in writing and sent by first class pre-paid post, or delivered by hand, or sent as an e-mail to the registered office address of the party or to the e-mail address set out below. Delivery by courier shall be regarded as delivery by hand.
- 12.2 Notice shall be deemed for the purposes of this Agreement to have been given or made in the case of hand delivery or email at the time of delivery, or if by prepaid first class post when in the normal course of business such prepaid first class post would be delivered. In proving delivery by post it shall be sufficient to show it was duly addressed, prepaid and posted.
- 12.3 Either party may change its address or email address for service of notice by notifying the other party.

**Signed on behalf of**  
Client \_\_\_\_\_

**Signed on behalf of**  
**Michael Carrington Property Management Ltd**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Commencement Date for Contract: \_\_\_\_\_

## APPENDIX 1

### Core Services

#### Part A Management Fees

Management Fees chargeable per unit

Cost Heading	Management Fee
Private Unit	£ + VAT per unit per annum

#### Part B – Core Services

##### Core Services to be provided by the Service Provider within the Management Fees

Activity	Sub-Activity	Frequency
<b>Financial</b>	Opening and handling trust client bank accounts (including the Service Charge Account and the Rental Income Account) including collection of Service Charge, deposit into trust bank account and income reporting.	On handover or takeover as required
	Prepare budgets/ estimates and distribute to Lessees. <i>Note: postal charges for all correspondence will be deemed Expenses and is recoverable from the service charge.</i>	Annually
	Where appropriate and pursuant to lease provisions collect a reserve or sinking fund contribution as part of a planned maintenance strategy for the Property.	Annually
	Calculate, estimate and apportion service costs and apply to Lessees for payments on an interim basis and on a final basis after the end of an accounting year.	As required
	Demand and collect service charges and including any other service charge related contributions due from Lessees of the Property pursuant to any Leases.	As required
	Report service charge arrears to the Client in accordance with the credit control policy.	As required
	Producing year-end financial reports and providing information to accountants and/or auditors for the purpose of certification or audit as providing in the Leases.	As required

	Maintaining proper accounting records and VAT records and accounting to HMRC as required and producing a quarterly VAT Report detailing all transactions on Output and Input VAT Reports, summarising amounts due /from HM Revenue and Customs.	As required
	As soon as practicable after the end of the service charge year (as that term is interpreted in the Leases) arrange certification or audit of the final accounts pursuant to the lease provisions and arrange distribution to Lessees. This includes demanding and collecting any balancing charge should this be required. The cost of the auditor is not included in our management fee.	Annually
	Making payments to suppliers, contractors, insurers, superior Lessor, and others as may be appropriate in respect of works or services relating to the Property.	As required
	Producing a statement to the Client setting out cash activity and transactions; all charges and monies received and receivable, any arrears, cash ledger detail; cheque register – detailing all non-recoverable, directly recoverable and service charge recoverable expenditure; receivable activity detail – listing all amounts demanded and received by lessees; tenant deposit listing.	Quarterly
<b>Property Management</b>	Arranging for any minor building repairs, maintenance, or renewal of the Property where such works can be procured and/or undertaken by the management team where no written specification is required ( <b>Minor Works and Services</b> ).	As required
	Arranging and monitoring maintenance contracts for all plant and equipment, and soft services contracts.  <i>Note: this does not include activity relating to tendering of contracts or the writing of specifications.</i>	As required
	Engaging required maintenance and minor works and services contractors and effecting necessary subsequent monitoring.	As required
	Reviewing and approving invoices received from contractors/ service provider for works/ services in respect of the Property.	As required
	Administering and negotiating contracts in respect of Minor Works and Services.	As required
	Providing such management information to insurance brokers or agents in order that the Client can procure appropriate insurances.	As required

	Providing administrative support for insurance claims affecting the common parts of the building(s) (for the avoidance of doubt administrative support in relation to insurance claims that are above £2,500 + VAT and/or affect more than one flat an additional payment will be payable.	As required
	Responding to the Client's reasonable management enquiries and requests for information, documents or policies and providing reasonable management information to any Lessees or residents' association.	As required
	Carrying out inspections of the Property and common parts without the use of inspection equipment on a regular basis (quarterly as a minimum) to check the condition of the Property and to arrange any necessary repairs other than major works.	As required
	Arranging health, safety, and fire checks and ensuring risk assessments are carried out as required including remedial action taken within any deadlines specified (or in reasonable timescales if no deadlines set) where any recommendations made following such assessments as reasonable, reporting any risks to the Client and arranging for compliance with statutory requirements in relation to health, safety and welfare of occupiers, users and members of the public in respect of the Properties.	As required
	Operating a permit to work system applicable to all Parties carrying out works within any building forming part of the Property.	As required
	Manage the parking arrangements of the Property as set out in the Leases using principles of good estate management including management of any External Service Providers appointed by the Client as requested, or Service Provider.  Where reasonably necessary the Service Provider is to ensure that sufficient insurance is always in place protecting the Client against damage caused to vehicles by third Party service providers.	As required
	Manage all access requirements of the Property relating to keys, fobs, codes, and access provision to External Service Providers.	As required
	Provide, manage, and staff a concierge/porter/caretaker service within the relevant parts of the Property pursuant to the Leases (where required).	As required

	<p>Liaising with any Estate Staff employed or engaged directly by the Client.</p> <p>NB: This does not include any matters relating to recruitment, employment contracts, disciplinary matters, pensions, or payroll.</p>	As required
	Consultation with Client on management matters.	As required
	<p>Engaging with Lessees in relation to breaches of covenant (not including legal action) by way of written correspondence</p> <p>Liaising with Client only where the terms of any Leases are being materially breached by individual Lessees (other than arrears) and legal action is required.</p>	As required
<b>Complaints</b>	Address operate and maintain a complaints management system via the application of complaint forms and status logs.	As required
<b>Queries</b>	Deal with any day-to-day Lessee or Client queries.	As required
<b>Meetings</b>	<p>Attending a maximum of 4 Client meetings per year during normal business hours.</p> <p>Attending any additional meetings reasonably required in connection with the Core Services (e.g., responding to the Client's reasonable management enquiries) and which do not relate to Additional Services.</p>	Quarterly
<b>System</b>	Maintaining files and records of the management of the Property.	Ongoing
	Maintaining a database of Lessees and tenants.	Ongoing
	Providing a 24/7 out of hours emergency contact.	As required
	Keep up to date with industry news and notify the Client as a matter of good practice of any such news which may impact the Property.	Ongoing
<b>People</b>	Directly employing the Estate Management Staff on the client's behalf, with all employment related matters including salary disciplinary matters, training and uniforms and recruitment of staff as required.	As required

## Appendix 2

### Additional Services

#### Part A

Pre-approved Additional Services: ✓ (Approval Required), ✗ (No approval required)

Activity	Client's prior approval required?	Additional Payment / charging basis	Payable by
<p><b>Ground rent</b></p> <p>Ground rent collection fee including demanding and accounting services in relation to Rental Income (excluding any Rental Income payable under any Commercial Leases unless otherwise agreed) and notifying the Lessees to pay the ground rent into the Rental Income Account or as otherwise directed.</p>	✗	Fee for collection and transferring included.	Lessee
<p><b>Section 20 Landlord &amp; Tenant Act 1985</b></p> <p>Undertaking Section 20 consultations including service of notices, responding to observations, and facilitating inspections of estimates.</p> <p>Project Management undertaken by 3<sup>rd</sup> party.</p>	✓	A fee of 5% of the works cost will be payable for the administration only of the Section 20 process subject to a minimum fee of £500 + VAT. The lesser of the fee will be charged.	Service Charge
<p><b>Major Works - Project Management</b></p> <p>For the management of major works costing over £250 for any one single unit or where Carrington's is required to manage insurance claims over £2,500 Carrington's will charge a fee to be negotiated and agreed between both Parties.</p>	✓	As negotiated and agreed between both Parties and subject to a minimum fee of £500 + VAT.	Service Charge

Activity	Client's prior approval required?	Additional Payment / charging basis	Payable by
<p><b>s.20ZA Dispensation Applications</b></p> <p>As instructed. Liaising with specialists as required, processing of s.20 notices, assisting external legal counsel with issue of relevant Tribunal paperwork relating to s.20ZA application, monitoring responses from Lessees, feedback and witness statement support as required including attendance at hearing if required.</p>	✘	As negotiated and agreed between both Parties or as per Service Provider quotation	Service Charge
<p><b>Property Management</b></p> <p>Compilation of building reports/ commentary as required in response to any legislative changes, guidance, or notes from the government or any relevant authority</p>	✓	As negotiated and agreed between both Parties or as per Service Provider quotation	Service Charge or Client
<p>Ad-hoc consultation activities including surveying, facilities management and technical advice, legal advice, auditing, general consultancy etc.</p>	✓	As negotiated and agreed between both Parties or as per Service Provider quotation	Service Charge or Client
<p>Dealing with removal of vehicles and related DVLA queries</p>	✘	Please note that the Client may also be liable for charges made by any contractor or other organisation for removing the vehicle and for any DVLA search fee.	Lessee or Service Charge
<p><b>Consents and responding to enquiries</b></p> <p>Dealing with any applications for consent from Lessees pursuant to the lease provisions such as pet consents, subletting consent, alterations consent and consent to assignments including drafting and issuing of relevant licences and necessary consents on the Client's behalf where required and providing full details to the Client for review.</p>	✘	Fees to be paid directly by Lessee	Lessee

Activity	Client's prior approval required?	Additional Payment / charging basis	Payable by
Providing reasonable information and responding to management enquiries from Solicitors in connection with sales, assignments, or re-mortgages. This includes dealing with all registration requirements as set out in the leases.	x	Fees to be paid directly by Lessee	Lessee
<p><b>Breach of covenant work</b></p> <p>Administration charges for late payment of Service Charge or Rental Income (excluding any Rental Income payable under any Commercial Leases unless otherwise agreed by the Parties) or costs incurred for legal recovery, referral to Solicitors for non-compliance with lease provisions, including assisting Solicitor for Court hearing or Tribunal and attendance</p>	x	Recoverable from Lessee where possible, otherwise from Service Charge Hearing preparation and attendance chargeable on time spent basis	Lessee or Service Charge
<b>Fees for specialist advisers</b>	✓	As per quotation	Service Charge or Client depending on nature of advice
<p><b>Insurance Claim Handling</b></p> <p>Assisting with insurance claims relating to the communal areas of the Property where 2 or more Lessees are affected including responding to insurers queries and dealing with loss adjusters as instructed, reporting as required</p>	✓	No fees to be charged unless there are four or more claims per year.	Insurer/ Service Charge / Client as applicable
<p><b>Additional Services</b></p> <p>Non-Mandatory Services not otherwise specified in Appendix 1 or Appendix 2</p>	✓	As negotiated and agreed between both Parties or as per Service Provider quotation	Service Charge
Additional Lessee meetings more than quarterly as required	✓	To be agreed based on personnel involved and time taken, travel time and expenses at a reasonable rate	Service Charge

**Part B**

Additional Services which **will not be** provided by the Service Provider unless the Parties otherwise agree separately:

<b>Activity</b>	<b>Frequency</b>	<b>Additional Payment / charging basis</b>	<b>Payable by</b>
Assisting with ground rent reviews and instructing specialists where required re: service of notices and conducting negotiations, liaising with Client as necessary	As agreed	To be agreed based on size of development and number of Lessees	Client
<b>Lease renewals</b>  Dealing with the Commercial Leases in accordance with Landlord & Tenant Act 1954, engaging Solicitors where required in respect of service of relevant notices, applications to Court and conducting negotiations regarding premiums	As agreed	To be agreed	Client
<b>Meetings</b>  Additional Client meetings including outside of hours	As agreed	To be agreed based on personnel involved and time taken, travel time and expenses at a reasonable rate	Client
Administrative support in respect of the provision of information and responses to auditors in the event of a Client Audit request	As agreed	On a time spent basis for staff required	Service Charge (subject to Lease provisions)
Assisting the Client with the provision of management information and responses to queries in respect of grant of head lease or sale of freehold	As agreed	As per quotation based on hourly rate and work required (minimum of £250.00)	Client
All other matters by arrangement	As agreed	To be agreed	Client

## APPENDIX 3

### COMPLAINTS PROCEDURE FOR MANAGING PROPERTIES

We understand that, from time to time, things may go wrong but we will deal with your complaint ensuring all relevant legislation, codes of practice, the covenants of your lease or transfer are considered.

If you are not satisfied with the way we have delivered a service to you or feel that we have failed to keep you informed or feel you have suffered inappropriate behaviour or treatment from our staff, we ask you to follow the complaints procedure set out below.

#### Complaints Procedure

In the first instance, any complaints will be dealt with by the property manager appointed to undertake daily management and any problems should be dealt with quickly. If the manager is unable to satisfy the complaint by resolving the issue, then the manager will refer this to the Andrew Murray, Director of Property and Asset Management.

Any dissatisfaction that relates to the management of the building, the conduct of staff, or the response to earlier complaints, should be brought to the attention of the property manager. This can be done in two ways, either by informal discussion with the property manager or by submitting the complaint in writing. In either instance the matter should be raised in the following way:

- Bring your complaint to the relevant property manager, copied also to the Director of Property and Asset Management. We will acknowledge the receipt of your complaint within three working days.
- Allow 15 working days for us to investigate and respond.
- If the matter is still not resolved to your satisfaction, you should contact us again and we will arrange for a separate review to take place by a senior member of staff. We will inform you of the review findings and confirm our final point of view within 15 working days of receiving your request for a review.
- If the matter is still not resolved to your satisfaction, or more than 8 weeks have elapsed since the complaint was first made, then it should be referred to The Property Ombudsman for them to review.

#### Contact Details

The Property Ombudsman:  
The Property Ombudsman Ltd Millford House, 43-55, Milford Street Salisbury, Wiltshire, SP1 2BP  
T: 01722 333 306  
E: [admin@tpos.co.uk](mailto:admin@tpos.co.uk)  
W: [www.tpos.co.uk](http://www.tpos.co.uk)

Michael Carrington Property Management Limited  
196 New Kings Road, London SW6 4NF  
T: 020 8960 0001  
E: [office@mcarrington.co.uk](mailto:office@mcarrington.co.uk)

*Please note the following:*

*You will need to submit your complaint to The Property Ombudsman within 12 months of receiving our final viewpoint letter, including any evidence to support your case.*

*The Property Ombudsman requires that all complaints are addressed through this in-house complaint's procedure, before being submitted for an independent review.*