



# VISTRY GROUP POLICY

User Guide: Managing Agent Process and Management 2023

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## What is an Estate Freeholder and why is it required?

The Land Trust has been appointed as the Estate Freeholder for your development to manage areas of the development and some parts of its buildings, where ownership of those areas is not transferred to the residents directly. You will be responsible for the maintenance of your home and any land conveyed to you, whilst the Management Company will maintain any areas which are not conveyed to any purchaser. These are communal areas for the benefit of residents and therefore have to be held in a separate entity.

Once the communal areas are ready, Countryside will hand control of them over to the Estate Freeholder. The Estate Freeholder will maintain the communal area after Countryside have left the development.

## Which parts of the development are covered by the Management Company?

The development known as Wolsey Park Phase 2 is located in Rayleigh, Essex and comprises of 55 new houses and 21 apartments. It is situated in a fantastic green space with extensive parklands to the West, an abundance of wildflower meadows and a modern play area for young families to enjoy.

The areas which are planned to fall to the Estate Freeholder to manage and maintain are highlighted on the plan below, which includes the insurance, management, and maintenance of the Public Open Spaces (POS), the attenuation pond, play equipment and footpaths. The plan included below, also details the development as a whole, including its boundaries which are detailed with red lines.

The landscaping will be installed as per the landscape layout plan, please refer to these plans which are included in the 'Meet the Builder' pack. Drawing reference: N00279\_L\_XX\_PL\_014.



## What is the role of the Managing Company?

The Managing Company is an external company, appointed by the developer, to maintain the communal areas of the development/buildings, once they have been handed over to the Estate Freeholder.

Their role is to assist the residents of the development in building their community, by maintaining the communal areas to a good standard and ensuring that the administration of the Estate Freeholder is professionally handled. This ensures that the residents don't have to worry about getting areas insured, getting accounts and audits done for the Management Company, appointing landscapers to care for public open space and play areas or appointing cleaners to maintain stairwells and other internal communal areas.

## What is a service charge and how is it calculated?

When you legally complete, you will become a member of the Management Company and you will agree to pay an annual service charge for the maintenance of the communal areas on the development.

The service charge is paid to the Managing Company so that they can then pay for all the costs which they incur in managing the estate and buildings on your development. The amount you pay is your share of the total cost, based on the Managing Company estimate of what they will spend, given their experience of other similar developments.

Below is a schedule of the items which the Managing Company will maintain on behalf of the Estate Freeholder, together with their estimate of the likely cost for the coming year.

<b>SERVICE CHARGE ESTIMATE DETAIL</b>	<b>Cost Estimate</b>
Landscape maintenance	£29,510.11
Management Charge	£9,618.80
Signage	£1,000
Insurance	£1,000
Service Charge Accounts Examination	£850
Printing and Postage	£1,305
Sinking Fund Contribution	£19,772.69

TOTAL ESTIMATED COST £63,056.60

Administration fee per property £18.34

## Estimated Service Charge Cap (Including VAT)

No. of bedrooms	Service Charge Cap for 01/04/2024 – 31/03/2025 Inc VAT
1	£327.79
2	£327.79
3	£390.23
4	£452.66
5	£515.10

Your service charge is likely to increase, year on year, because prices of labour and materials are likely to rise in line with inflation. The Managing Company will keep you informed of any increases each year and provide an explanation of why the increase is necessary.

## Typically, what do the elements of the service charge cover?

- a) **Landscape and Play Area Maintenance** – this includes regular visits to the site to mow grass, keep down weeds, maintain trees and plants and make sure that the play equipment is safe, carrying out any maintenance as required. This also include the SUDs (Sustainable Drainage System). The visits are more frequent in the spring and summer, usually every two weeks and generally monthly in the Autumn and Winter.
- b) **Waste and Dog Bin emptying and Maintenance** – the bins around the communal areas are emptied and disposed of every two weeks.
- c) **Benches and other Street Furniture** - there are a number of benches, seats, fences, etc which require maintaining to ensure that they do not get into disrepair
- d) **Sinking Fund** – whilst the equipment around the communal areas is carefully maintained, sometimes there is a requirement to replace items. This would be particularly relevant to play equipment which becomes unsafe. A fund is built up to pay for these items when such occasions require. This also includes cyclical works such as removal of silt from the SuDs.
- e) **Public Liability Insurance** – whilst residents will take out insurance on their homes which they own, there is a need to have insurance for the communal areas and for the Estate Freeholder itself.
- f) **Accountancy, Legal and Company Secretarial Fees** – because the Estate Freeholder is a Limited Company, which provides a level of legal protection for the residents, the Company has to have proper accounts prepared and audited and has to register with Companies House. This will all be arranged by the Managing Company.
- g) **Health & Safety Requirements** – this is an important element of running the communal areas with the need for periodic risk assessments, advice and action taken to ensure that everything is kept in a safe condition for everyone who wants to use those areas. This will include fire risk assessments for apartments.
- h) **Management Company Management Fee** – this is the fee charged by the Managing Company to act on behalf of the residents in managing the communal areas. All of the items above will need to be arranged and managed, with contractors appointed for maintenance and repair, insurance arranged, and accountants and solicitors appointed.

## How and when is the service charge levied?

When you legally complete on your home and sign up to your rights and obligations relating to the Management Company, an amount of Service Charge will be taken, in order to cover the months, between your completion and the end of the service charge period.

The Managing Company will then send you an annual service charge invoice. If you recently legally completed and therefore have just paid an amount on completion, this will be credited against the invoiced amount. You will only pay your share of the Service Charge for the period which you have been in ownership of your home.

The Managing Company will provide you with details of how to pay when they send the invoice as there are options to spread the payment by Direct Debit, if you need to.

## Who maintains the communal areas from the start?

Vistry is responsible for creating and building any communal areas. With apartments, the communal areas form part of the building which is being constructed by Vistry.

For a period of time, Vistry will maintain everything and only when the communal areas are complete, can they be handed over to the Managing Company for maintenance. This will vary from site to site; on some developments everything will be handed over at the end, on others there will be a phased handover over the course of the development.

When Vistry are maintaining the communal areas, the residents will not be charged for the maintenance of the communal areas. However, a service charge may still be levied as there are administration costs incurred by the Managing Company in order to ensure that insurance is in place and accounts and audits are carried out. This may be covered by the service charge collected on completion but if it continues for a long period you may be asked to pay a further service charge.

## What happens when the development is finished?

When the developer has completed all the homes and all of the environment around the homes, the communal areas will be fully handed over to the Estate Freeholder. Those areas must be properly completed and be in good condition, otherwise the Managing Company, acting on behalf of the residents will refuse handover. Handover will only take place when the Managing Company is happy to take those communal areas on.



## Who should I contact with any queries?

The details of the contacts at the Managing Company are as follows:

Phone 0300 3230 170

Email [mail@thelandtrust.org.uk](mailto:mail@thelandtrust.org.uk)

Website [www.thelandtrust.org.uk/wolsey-park/](http://www.thelandtrust.org.uk/wolsey-park/)

Post 7 Birchwood One, Dewhurst Road, Birchwood, Warrington WA3 7GB

### Registering on the Portal

Your Welcome Pack will contain details of how to register on 'My Land Trust', a safe and secure way to manage your account and make future payments online.

