

In our last newsletter, we featured our review of management fees. We promised we would provide further information and set out how this will affect you.

What was the management fee last year?

We currently charge some homeowners a flat fee and a variable administration charge. Charges vary and do not often reflect the level of services provided.

We know this is confusing so we are only going to charge one, fixed annual fee from April 2017. This will be based on the type of property you live in and the level of services you receive.

We have introduced a tiered level of charging for each property type (a bit like council tax banding). The annual fixed management fees for each tier for 2017/18 are detailed on page 5.

We believe this will provide a fairer and more transparent way of charging.

What is a Management Fee?

Your management fee covers the cost of managing and administering Homeownership services. This includes dealing with queries, office overhead costs, staff salaries and the cost of managing contracts.

What services do I receive?

The duties listed below are what we provide within our management fee (where applicable). The list is not exhaustive.

- We manage scheme Bank Accounts.
- We collect Service Charges to ensure there are sufficient funds to provide services.
- We set Service Charge Budgets.
- We produce Annual Accounts.
- We recover Service Charge Arrears.
- The cost of providing service charge information to residents.
- The cost of working with residents' associations.
- The cost of holding professional indemnity insurance for the manager.
- The cost of carrying out periodic health and safety checks but not specialist checks and tests (such as asbestos surveys, specialist structural surveys etc).
- The cost of holding meetings with residents (when required).
- The management and supervision of House Managers.
- The storage and safekeeping of resident and tenancy details.
- Providing information to advice agencies and ombudsman services.
- The administration of buildings and other insurances.
- Providing and managing maintenance contracts.
- Carrying out consultation on management matters, major works and long term agreements.
- Drawing up and reviewing risk assessment plans.
- Providing copies of insurance policies (when requested).
- Recovery of unpaid service charge or ground rents or non-compliance with leases or agreements, including instructing solicitors.



Your management fee covers the cost of managing and administering our Homeownership services

Why am I charged?

Your lease or agreement allows us to charge for the cost of providing the services you receive. The vast majority of our income is from service charges and tenants' rents, so we apportion the cost fairly between homeowners and tenants.

Why has the Management Fee increased?

As well as being more transparent as explained above, the management fee has been calculated to ensure we recover the cost of running and supplying the service to our Homeowners.

Previously the fees we have charged did not cover the actual costs we incur in providing this service.

Tier 1 **£100** per annum

- Leasehold & shared ownership houses & bungalows with no estate charges
- Leasehold & shared ownership where services covered by Managing Agent
- Freehold house or bungalow with charges – small estate

Tier 2 **£150** per annum

- Freehold with charges on estates
- Shared ownership houses & bungalows on larger estates with charges
- Leasehold houses with charges

Tier 3 **£300** per annum

- Shared owners flats & maisonettes
- Leasehold flats & maisonettes
- DOMUS bungalows, flats and houses – small estate & no House Manager
- Bungalows for the elderly – small estate/no warden call
- Flats for the elderly – small estate/no warden call

Tier 4 **£380** per annum

- DOMUS bungalows, flats & houses with no house manager
- DOMUS freeholders with charges
- Bungalows for the elderly – No House Manager
- Flats for the elderly – No House Manager

Tier 5 **£420** per annum

- Freeholders where Accent responsible for repairs
- DOMUS bungalows, flats & houses with house manager
- Bungalows for the elderly with house managers
- Flats for the elderly with house managers

Stay in touch

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Office addresses and opening times are available on our website



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Homeowners' Management Fees

As of February 2017

