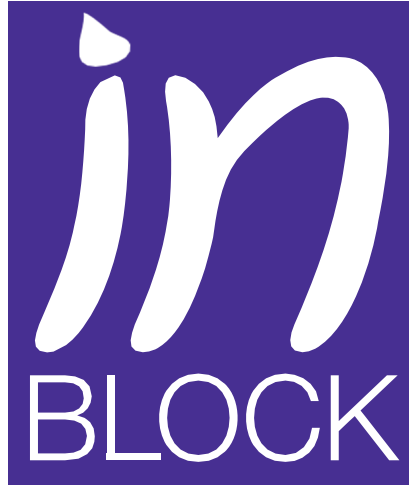




# BLOCK & ESTATE MANAGEMENT

## Management Agreement

Between

<Company Name>

<Company Number>

And

In Block Management Limited  
07240534

[www.inblock.co.uk](http://www.inblock.co.uk)

InBlock is the trading name of In Block Management Limited  
Registered in England & Wales No. 7240534 Registered Office: Unit 2, Guards Avenue, Caterham-on-the-Hill, CR3 5XL



# The Agreement

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This Agreement is made on < >

BETWEEN:

(1) < >  
("the Client")

And

(2) In Block Management Limited Company  
Registered Office at Unit 2, Guards Avenue,  
Caterham-on-the-hill, CR3 1SD  
([www.inblock.co.uk](http://www.inblock.co.uk))  
("The Agent")

For the management of

< >  
("the Property")

Commencing < >

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# 1.0 The Agent Undertakes

## 1.0 AGENT

The Agent agrees to provide management services to the Client ("the Services") in accordance with the Schedule hereto and its Fee structure.

### Guidance and Co-operation

- 1.1 To provide guidance to the Client in accordance with the principles of good estate management.
- 1.2 To receive the Clients instructions; in the absence of instruction the Agent shall act conscientiously and in the interests of the Client.
- 1.3 To advise the Client in respect of appropriate action on leaseholder's requests for Landlord's consents under their leases ("the Leases"), and on any reasonable request by leaseholders or notices served by leaseholders.
- 1.4 To co-operate with any other professional advisers instructed by the Client, to permit the Client and the Clients professional advisers at all reasonable times to inspect and take copies at the Clients expense of all documents relating to the property and provision of the Services.

### Financial Conduct

- 1.5 To maintain and administer adequate credit control procedures and to notify the Client of all arrears and to advise the Client, where legal action is required, to collect sums due under the Leases and, on receiving the Client's instructions, to instruct solicitors on behalf of and at the expense of the Client.
- 1.6 To notify the Client when the Agent is unable to discharge any of the Client's liabilities under the Lease due to insufficient funds.
- 1.7 To consult the Client where any works of repair or maintenance are estimated to cost more than £500.00 ("the agreed expenditure limit") and to seek the Client's instructions.
- 1.8 To consult the Client where there are any breaches of the Leases or where rent and other sums are overdue under the Leases before accepting rent or otherwise treating the Lease as subsisting.
- 1.9 To agree with the Client when arranging any insurances.

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## 1.0 The Agent Undertakes (continued)

### Confidentiality

- 1.10** To comply with the provisions of the Data Protection Act 1998 and subsequent legislation and not to disclose Client information to any third party unless required by legislation or court order.

### Indemnity

- 1.11** To indemnify and keep indemnified the Client from and against any loss, damage or liability, whether civil or criminal, suffered by the Client as a result of the Agent's breach of this agreement, or the Agent's negligence.

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## 2.0 The Client Undertakes

### Co-operation

- 2.1** Not to require the Agent to carry out any instruction that, in the Agent's opinion would involve a breach of the terms of this Agreement.
- 2.2** To ratify all acts by the Agent properly carried out in connection with this Agreement.
- 2.3** To notify the Agent promptly of any relevant correspondence addressed to the Client with reference to the Agent's management of the Property.
- 2.4** To notify the Agent in time for the Agent to take advice of any claims by Lessees of the Property.
- 2.5** If the Client has not nominated a chartered building surveyor, to permit the Agent to instruct one, after consultation with the Client for any appropriate works in connection with the Property.
- 2.6** If a client account is not held by In Block Management Ltd on behalf of the client, within 14 days of the Agent sending to the Client its quarterly statement to pay to the Agent the fees due to the Agent and to reimburse any expenses and other disbursements (including premiums for insurance) still due to the Agent but not recoverable from a service charge fund to pay any VAT due, in every case without any deduction or set-off.
- 2.7** To pay interest on overdue fees expenses and other disbursements at 4% above National Westminster Bank base rate from time to time.

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## 2 The Client Undertakes (continued)

### Financial Conduct

- 2.8 At the initial set-up to provide in a timely manner all the information which is necessary to establish the Services including all accounts, budgets, invoices, statements, arrears, demands, notices, insurance policies and to pay the Agent, at an agreed fee subject to consultation with the Client, for any extra work necessary in the absence of the required information.
- 2.9 To reimburse the Agent all expenses, fees, and disbursements properly incurred in managing the Property within thirty days of the presentation of the invoice.
- 2.10 To release the Agent from any liability to provide the Services where the Agent does not hold sufficient funds on behalf of the Property.

### Indemnity

- 2.11 To indemnify the Agent against any liability incurred in the course of providing the Services unless caused by the Agent's breach of the terms of this Agreement, or the Agent's negligence.

### Company Requirements

- 2.12 Where the Client is a company, to conform with its Articles and Memorandum of Association and all relevant legislations required under the Companies Act 2006 and the current requirements of Companies House.
- 2.13 Where the Client is a company, to hold adequate directors' and officers' insurance and maintain it throughout the term of the Agreement.

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## 3.0 The Agent's Authority

- 3.1 The Client authorises the Agent to act in its name for it and on its behalf with reference to all the Services.
- 3.2 The Client authorises the Agent to perform any other act which the Client could or should do themselves in respect of the management of the Property subject to consultation with the Client where required under the terms of this Agreement.
- 3.3 In the event of emergency the Agent is authorised to take such reasonable measures as the Agent may consider appropriate and in the best interest of the Client.
- 3.4 The Client authorises the Agent to expend any sums that are within the agreed expenditure limit without consultation with the Client and to reimburse the Agent any fees properly charged or sums properly expended from funds held by the Agent on behalf of the Client.
- 3.5 The Agent will act conscientiously and in good faith towards the Client, which shall include in particular but without limitation seeking to obtain good value on behalf of the Client in respect of any contracts entered into with third parties.

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## 4.0 Communication between Client and Agent

- 4.1 The Agent agrees to accept instructions only from the Client Board of Directors or nominated representatives of the Client whose names should be notified in advance.
- 4.2 All instructions to the Agent on behalf of the Client will be through these nominated representative/s. The Client agrees to notify the Agent in writing in advance of any change in these representatives.
- 4.3 The Client agrees to convey promptly to the Agent any information necessary for the proper performance of the Services.
- 4.4 It is agreed that the Agent will respond directly to lessees' reasonable enquiries without consultation with the Client.
- 4.5 When requested the Agent will attend 1 (one) client meeting per Annum. This includes AGM, EGM, board and all other meetings.

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## 5.0 Disputes Procedure

- 5.1 Please refer to our complaints policy which is available on our website. The Agent is a member of the Property Ombudsman's Scheme for Residential Leasehold Management and if a complaint is not dealt with to the Client's satisfaction under the Agent's complaints policy referral should be made to that Scheme initially.
- 5.2 If any dispute arises which has not been resolved under condition 5.1 arising, out of this agreement the Client and the Agent will endeavour to reach a settlement in good faith.
- 5.3 If the dispute cannot be resolved it is agreed to refer the dispute to Mediation. The parties will be responsible for the sharing the costs involved.
- 5.4 If a dispute has not been resolved pursuant to condition 5.1 and 5.3 then the dispute shall be determined exclusively under English Law and by English Courts.

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## 6.0 Termination & renewal of this Agreement

- 6.1 This Agreement shall be for a period of 364 days from the Commencement Date. This Agreement shall continue until determined by the Client giving to the Agent or by the Agent giving to the Client not less than 3 months' written notice at any time, after 9 months from the commencement date.
- 6.2 It is hereby agreed and understood by both parties that, on the anniversary of this agreement, the client shall be liable for a fee increase in line with the retail price index (RPI). For the avoidance of doubt, it is agreed that the increase shall be a minimum of 3% and a maximum of 8%. This clause will apply for every subsequent year that the management service and agreement continues.
- 6.3 The Agreement may be terminated by mutual agreement of the parties in writing. This Agreement may be terminated immediately:
  - If the Client acts in a way that prevents the Agent performing the Services.
  - If either party becomes insolvent.

This Agreement may be terminated on 30 days written notice:

- If either party is in breach of any of the terms and conditions and the breach, if capable of remedy, is not remedied within 30 days of a written notice of failure from either party.
- If there is a material change in the management or control of either party which the other party does not agree.

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## 6 Termination of this Agreement (continued)

### Leaseholder's Rights under Landlord and Tenants Acts

- 6.4 The Agreement may be terminated:
- By a Leasehold Valuation First Tier Tribunal on Appointment of a Manager or on any other grounds.
  - By leaseholders exercising Right to Manage or Enfranchisement.

### Procedure on Termination of the Agreement

- 6.5 On termination all documents and records which are the property of the Client and all other items connected with the management shall be available to the Client within 30 days of the termination. This excludes any records which are the intellectual property of the Agent.
- 6.6 On termination all funds held by the Agent on behalf of the Client shall be passed to the Client within 28 days. Funds may be retained by the Agent to cover invoices addressed to the Agent but not yet paid.
- 6.7 Within 12 weeks of the termination of the Agreement at the Client's expense a complete statement of account shall be given to the Client as required under the current legislation governing the provision of service charge accounts.

### Procedure on Termination of the Agreement

- 6.8 The Agent will be entitled to fees on termination for agreed invoices up to the date of termination and for work the agent is not able to complete. Fees will be paid on a quantum meruit basis.
- 6.9 Termination is without prejudice to the rights which have been accrued to either party to this Agreement under the Law.

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## 7.0 Third Party Rights

Nothing in this Agreement confers on any third party any right to enforce its terms or any right pursuant to the Contracts (Rights of Third Parties) Act 1999.



# Schedule of Services

## (A) Basic Services

Total Annual fee for basic services £                      inc VAT

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The basic services cover property management of a regular nature including, but not limited to, the following;

### Property Services

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- Initial handover and set up
- Maintaining statutory books Acting as Company Secretary
- Attending 1 client meeting between the hours of Monday-Thursday 9:00am – 8:00pm as minute taker. Meetings continuing before 8:00pm are chargeable at the hourly rate.
- To maintain a database of all owners and to take reasonable steps to ensure that data is accurate.
- To visually inspect such areas of the Property which may be safely inspected for the purpose of day-to-day maintenance. Visits per year 4
- Arrange upkeep of any common grounds and parts
- Arrange Health & Safety checks in accordance with legislation Administer Agreements for plant/equipment
- To tender, negotiate and place orders for repairs to the Property. At the agents discretion, a fee of £50 plus VAT per quote will be charged for any works over £2000. Should the quotes form part of a section 20, the quote fee will be deducted from the final agents fee should the works proceed within 12 months.
- To arrange an insurance valuation of the Property if requested by the Company.
- After hours Emergencies. Visits to site charged at hourly rate.

### Financial Services

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#### Payments In

- To maintain a Barclays client account for all monies received by the Agent on behalf of the Client\*
- Levy and collect service charges due to the Client
- To maintain and administer adequate credit control procedures and advise the Client of the need for any legal action for non- payment of Service Charges or other charges under the lease.

\*Barclays charge their own account and processing fees to the individual account.



# Schedule of Services

## (A) Basic Services - continued

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### Payments Out

- Receive, validate, authorise and pay contractor invoices, utility bills & any staff employed by their client under the lease.

### Budgeting and Accounting

- Prepare Annual Budget for approval of Client.
- Provide quarterly statements of account to the Client comprising of income, expenditure and details of arrears.
- Supply paperwork to clients nominated accountant for preparation and filing of Company & service charge accounts. Supply supporting documents to accountants, lessees and Client as required by Law.



# Schedule of Services

## Schedule of Services

### (B) Additional Services

Additional services are those which the Agent is instructed by the Client to undertake of a non-regular or non-recurring nature and may include: -

#### Property Services

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- Consultation works charged on the following sliding scale basis

|                   |                  |
|-------------------|------------------|
| Less than £10,000 | 10% (Min £750)   |
| £10,000 - £35,000 | 7.5% (Min £1000) |
| £35,000 +         | 5% (Min £2000)   |

Should a surveyor be appointed to draw up the specification, obtain the quotes and oversee and sign off the works, our fee will be capped at £500 plus VAT for the administrative and financial aspects only of the process.

- Insurance claims charged at 10% plus VAT of the total cost of the claim
- Site visits outside of the agreed, between the hours of Monday-Friday 9:00am-5:00pm £50 per hour

#### Legal Services

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- |                   |                      |
|-------------------|----------------------|
| Court appearances | £100.00 plus VAT p/h |
|-------------------|----------------------|

#### Client meetings

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- Additional client meetings outside agreement/EGM's between the hours of Monday-Thursday 9:00am-5:00pm £35 per hour
- Client meetings continuing Monday-Thursday after 5:00pm £50 per hour

#### Communications

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- Couriers At cost



# Schedule of Services

## Licences - Charged to individual

- |                                                                                                                     |      |
|---------------------------------------------------------------------------------------------------------------------|------|
| • Licence of Alteration                                                                                             | £250 |
| • Permission to Sublet                                                                                              | £75  |
| • Receipt/registration of notice of assignment/<br>notice of charge/licence to assign/ certificate of<br>compliance | £100 |
| • Granting additional approvals under the lease                                                                     | £100 |

## Breaches of Covenant

- |                                                                                 |                  |
|---------------------------------------------------------------------------------|------------------|
| • Referral to solicitors for breach of covenant                                 | Cost price + £50 |
| • Enforcing covenant in the lease against another<br>tenant on behalf of client | £35 per letter   |
| • Residential First-Tier Property Tribunal application                          | At cost + £750   |
| • Residential First-Tier Property Tribunal<br>attendance                        | £100 per hour    |

## Service Charge - Charged to individual

- |                                            |      |
|--------------------------------------------|------|
| • Issue of seven day arrears letter        | £50  |
| • Recovery of monies from mortgage company | £100 |
| • Returned cheque/direct debit             | £30  |

## Miscellaneous

- |                                                                                  |      |
|----------------------------------------------------------------------------------|------|
| • Enquiries before sale or in arrangement of<br>mortgage - Charged to individual | £200 |
| • Additional fees if required within 24 hours                                    | £100 |

1. Subject to the terms of individual leases, administration fees may be charged by In Block as set out in the Commonhold & Leasehold Reform Act 2002. Depending on the circumstances, these may fall to either the Client or leaseholder. Legal costs incurred may only be recovered from leaseholder if the lease provides.
2. All charges are subject to VAT at the prevailing rate unless otherwise stated.
3. Fees charged in connection with applications will be levied in advance and due regardless of whether the application proceeds to completion or not.
4. This Fee Structure will be reviewed annually by the Agent and the reviewed fees shall apply from the date that is 3 months from the Agent giving notice of review to the Client.
5. Fees in respect of major works will be charged in two tranches; the first 50% on service of the Section 20 statement of estimates; and the second 50% on practical completion of the project.



## 9.0 Execution of Agreement

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Signed by or on behalf of the Client

Client Name .....

Signature .....

Date.....

Signed by or on behalf of the Client

Client Name .....

Signature .....

Date.....

Signed by or on behalf of the Client

Client Name .....

Signature .....

Date.....

Signed by or on behalf of the Client

Client Name .....

Signature .....

Date.....



## 9.0 Execution of Agreement

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Signed by or on behalf of The Agent:

Name.....

Signature .....