



Jebb Avenue Management Co. Ltd

Prospective Management Company - Request for further information Strangford

Recently, a JAMC meeting was convened to discuss quotes and information provided by your company in relation to providing property management services to the Jebb Avenue Estate. Before JAMC proceeds a number of follow-up questions have been identified which are being addressed to all prospective property management companies. These questions are listed below - please can you address each in writing and provide back to JAMC as soon as possible, ideally no later than Friday 8th April.

In order for JAMC to have a simple way of comparing approach and pricing for major and minor works, we have detailed two simple scenarios below both of which we would want at least 3 quotes sourced from different contractors. Please detail how you would approach both scenarios and how they would be costed?

<i>Capital works scenario:</i>
The slate tile roof on one of peaked roof blocks (late 1800's construction) needs replacing along with the gutters, fascia's and drainage downpipes. While we have scaffolding up, we would want to repair the concrete flooring in some of the balconies. Assume total estimated cost of £150,000+VAT for the project and that a surveyor would need to be engaged
Question 1: What would be your approach and how would it be priced if JAMC sourced all contractor quotes?
Response: Our approach is to fully manage this requirement on behalf of JAMC and therefore we would not suggest or request that JAMC are involved with the obtaining of quotations. This can lead to suggestions of bias, an unfair tender and generally an increased workload for the Directors, all of which we are employed to prevent. Our approach is better detailed in question 2.
Question 2: What would be your approach and how would it be priced if you were to source all contractor quotes?
Response: Our approach would be to obtain quotations for surveyors, provide these to JAMC with our suggestion of who is most suitable for the project. We would then commence with the Section 20 consultation process. Whilst this is in the consultation phase, we would agree a surveyor with you and formally engage them on the project. They would create a spec and undertake a tender. We would then issue the second Section 20 consultation notice. We would ensure communication throughout this consultation process, providing all necessary specifications, drawings, timings and so on via our online leaseholder portal for the Jebb Avenue Estate. Once the consultation is completed and assuming there was enough money already for the project, we would hold a meeting with the surveyor, chosen contractor and Directors (if necessary) to formalise the contract and agree a start date. We would then work alongside the surveyor to communicate regularly with the leaseholders to ensure they are kept up to date not only on the roof works but also on the access required to their balconies. This approach would continue through to the end of the project where a final sign off meeting would be arranged by Strangford Management.



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Question 3: What would be the role of the surveyor versus that of your company?

Response: for ease I have bullet pointed the general tasks by each party:

Surveyor:

- Creation of specification
- Tender
- Review of all contractors for suitability
- Analysis of tenders and suggestion of contractor#
- Engagement of contractor and negotiation of terms
- Oversight and sign off throughout project
- Final review of project and sign off

Strangford Management:

- Initial engagement with Directors / Leaseholders
- Organise quotes from surveyors and engage on behalf of JAMC
- Act as liaison between surveyor and Directors throughout tender
- Completion of Sec.20 consultation process
- Invoicing and collection of arrears (if necessary)
- Payment of project invoices

Question 4: What is a rough estimate of surveyor costs?

Response: Our vetted surveyors, depending on the project size, charge between 8% – 12% + VAT of the contract cost. We do not charge an additional fee for our role in the management of a major works project, we have a unique all-inclusive fee that encompasses all our services.

Minor works scenario:

The current degrading wooden doors of 10 storage sheds on the estate require replacing with new metal doors with internal locks and metal frames. Assume total estimated cost of £2,500+VAT for the project.

Question 5: What would be your approach and how would it be priced if JAMC sourced all contractor quotes?

Response: Again, our approach is to not create involvement or work for the Directors so we would suggest that any quotations are sought by Strangford Management and not the Directors.

Question 6: What would be your approach and how would it be priced if you were to source all contractor quotes?

Response: Due to the cost of the project, we would obtain a minimum of 3 quotes for the work from our vetted supplier list (you can find out more information about the standards we hold contractors to by visiting <https://www.strangfordmanagement.com/contractors/>). We would then present these quotations to you and suggest a suitable contractor for the work. Upon choosing a contractor, we would issue a formal works order for the work, we would then check the work on a formal site inspection using our site inspection app so standards can be recorded. We would estimate that to obtain quotes it would take 7-10 days so depending on how long the work would



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Minor works scenario:

take, I would suggest the project take no longer than 3 weeks, assuming the funds are readily available.

Additional questions

Question 7: How do you define major works i.e. the threshold above which the estate would need to pay additional fees for leaseholder engagement, contractor management, project management etc?

Response: This is based on Section 20 of the Landlord and Tenant Act 1985, which states that a legal consultation process must take place for any works that will incur over £250 for any one leaseholder, therefore when there is a requirement of consultation, we deem this to be 'major works'. The £250 threshold will depend on the contribution amount per leaseholder as detailed within the lease terms as they may vary.

Question 8: Assume JAMC can source its own quotes as part of any tender process of any cost? Does this reduce any costs charged by your management company?

Response: No, our fee is unique in that it encompasses all our services in one annual sum, this is the most cost-effective way to manage this fee for leaseholders and Directors.

Question 9: What information would you need from JAMC (e.g. records, documents, etc) before entering into a contract?

Response: We have attached a copy of our handover checklist to our email for your perusal.

Question 10: What processes and costs are involved to either JAMC or leaseholders during sale or purchase of a property?

Response: all costs during the sale of a leasehold property falls to the leaseholder, JAMC would not incur any costs. The amount of cost is dependent on the terms of the lease, however, taking a generic example:

- LPE1 management pack = £300 + VAT
- Receipting of notices = £50 + VAT per notice
- Provision of a new share = £50 + VAT

Question 11: Can you please provide references from other estates / blocks you manage who we could talk to about their experience of working with your company?

Response: That is no problem, we will ask our clients if they are willing to stand as a reference and provide their contact details to you as we receive their permission.