

## **Park Property Management- Written Statement**

**Version 5.08.2021**

### **A LARGER PRINT VERSION IS AVAILABLE ON REQUEST**

In accordance with the Property Factors (Scotland) Act 2011, the following is our Written Statement. It is designed to set out terms and service delivery standards between ourselves (Park Property Management Limited (PPM)) and you, the homeowner in a simple and transparent way.

We act as Property Factor (Agent) on your behalf to arrange, organise and oversee the maintenance and repair of your property. As your Agent, *we* do not own the property therefore as homeowners you have a responsibility to communicate with PPM, any concerns you may have in relation to repairs and maintenance of your property. We act for you through delegated authority to do so or through established custom and practice.

We are not experts, in specialised fields, we are your agent and appoint these experts on your behalf.

### **Definitions:**

“Deeds of Condition” means the burdens as described in your Title deeds.

“Homeowner(s)” means the proprietor(s) of any part of the common property, being dwelling house, land or other as described in your title deeds.

“Property Manager” means Park Property Management Limited, PF000423 also PPM as abbreviated.

“Property” means the common property as described in your Title Deeds.

### **A. Authority to Act**

Park PM have authority to act on your development for one or more of several reasons: An AGM has been held and the Property Manager has been approved. The Property Manager has been managing your property without challenge for over twelve months and the Authority is tacitly accepted. Owners have made payments to invoices and have implicitly accepted the Property Manager. There has been a competent vote to this effect. The Property Manager was competently appointed by the common ownership. PPM will instruct works within the limits as set out in your title deeds. Works over the value as defined in your deeds will be subjected to formal tenders whilst lower value contracts will be placed at PPM’s discretion.

**Compliance-** In accordance with the Property Factors Act 2011 PPM are a registered Property Factor (Agent) and our registration number is PF000423.

### **B. Services Provided**

#### **Property Management**

Property Management covers a wide array of tasks which includes receiving reports on maintenance and repairs and instructing works, issuing invoices for common charges to homeowners and collection thereof. PPM will engage with owners to try and manage and improve your common property whenever possible. Please contact your Property Manager if you wish further information on our core services.

#### **Response times**

Our opening hours are Monday to Friday, 9am to 5pm. We close briefly for lunch. We aim to respond to written or e-mail requests within five working days of receiving your communication. If we do not have a full answer regarding your request within this time scale, we will send an acknowledgement stating a response time.

#### **Repairs**

We expect urgent repairs to be attended to within 24 hours of notification. We expect routine jobbing repairs to be attended to within 5 working days of notification. If estimates are required we ask appointed contractors to ensure these are submitted to our office within 10 working days. There may be circumstances out with our control where these timescales cannot be achieved i.e. severe weather, access restrictions, trade holidays etc. We cannot accept responsibility for defective workmanship or for works performed to an unacceptable standard

which is the responsibility of the contractor. However should you contact us and inform us that you are dissatisfied with the standard of the completed work, this will allow us to contact the contractor on your behalf and make every effort to resolve the issue to your satisfaction.

### **Out of hours Emergencies**

We have a 24hr emergency contact number so that you have confidence any emergencies will be dealt with 24/7. PPM make a small monthly charge for the provision of this service.

Should a homeowner require the services of an emergency contractor for common repairs out with normal office hours they should contact our out of hours number 0141 354 6536 which provide instructions on how to connect to the relevant company. Please be aware emergency calls will be subject to the contractors' out of hours rate. If you have trouble with this service do not hesitate to appoint a contractor of your own choice to mitigate any loss or damage.

### **Inspections**

We have building inspectors who visit developments covered under our portfolio. They report back to our property managers any issues or repairs noticed on their visit. The inspection is not part of our core service and no charge is made for this provision. The property manager may also visit the development. It is vitally important that homeowners make us aware of any common defects or concerns they may have in relation to the management of their property/development as these may not always be obvious at the time of inspection. Homeowners should email us to [support@parkpm.co.uk](mailto:support@parkpm.co.uk) if they notice any repairs requiring attention. During visits, we will carry out a visual inspection of the external fabric of the building, common grounds if appropriate and, when we can, internal common parts, provided access is available. We will note any obvious defects and action as required. **Our inspector does not carry out a formal risk assessment of the property and the visit does not constitute a survey. Park PM do not warrant that all issues will be picked up by an inspection and recommend owners contact us if they notice any issues.** If these types of inspections are required, we would engage the services of an appropriately qualified person/firm on homeowners' behalf. If these are required a fee will be charged.

### **Insurance**

We will place insurance on your common property at the current cover level and you must pay the premiums for this. As Property Factor (Agent) we will not carry out an insurance revaluation on your property unless specified in the Deed of Conditions. However, we can obtain costs and seek the approval of homeowners, if requested to do so, by the majority of homeowners. Please note that it is the sole responsibility of the homeowner to ensure the property is insured for the full reinstatement value. This will ensure that buildings insurance sums are kept accurate, avoiding any dispute in the event of a claim. We recommend a survey be carried out at least every five years. Owners are liable for the cost of non routine works such as RCA revaluations.

As a homeowner and client of Park Property Management you will have been provided with a schedule detailing the insurance premium, sum insured etc. and a copy of the terms of your buildings policy. If you require a further copy, please contact your Property Manager.

There are clear procedures in place for submitting insurance claims on behalf of homeowners which will be explained when intimating a claim. We use a broker to place insurance and whilst we do not currently charge a commission, any commission would be clearly highlighted to owners. If you would like a copy of our insurance claim procedure, please write to us.

### **Fees/Rendering of Account**

The following categories relate to the charging of management fees and provide an indication of where additional management fees may be applied.

## Management Fee

Our management fee is for the provision of our core management service as your Property Manager on your behalf and it is reviewed annually. **Any increase greater than the rate of inflation\* will be notified to you in writing.** The management fee is calculated as a fixed charge per share in your total development share.

**\*Park PM measures inflation as the percentage increase in the UK national living wage.**

## Apportionment fee

If you sell your property, your Solicitor will normally ask us to provide them with information which they require to complete the sale. We will assist in this however, as our management fee only covers the common management of the property; we will charge a fee for this additional administration. This fee will be notified to your Solicitor and charged on your common charges account.

## Service Charge

The service charge is the total charge for ensuring proper management of the property. This includes all contractor invoices and the Management Fee. It is essential that homeowners pay their service charge as the wellbeing and condition of your property may suffer from non payment by even one homeowner.

## Late Payment Charge

We have strict credit control procedures in place which is very much in the interest of the homeowners. It is important that we recover outstanding charges to allow us to be in a position to fund maintenance going forward. Our invoice is issued and payment plans may be offered to allow this to be cleared over the course of the year. On any given month, **we reserve the right to charge an administration fee\*\* if a payment is over seven days late.** On any given month, if a payment passes twenty-eight days late, we charge a further fee\*\*. A 'Notice of Intended Action' (N.O.A.) may further be issued. Fourteen days after the N.O.A. is issued, the account is passed to solicitors for formal collection proceedings. We reserve the right to raise late payment fees of up to **£300.00\*\* plus VAT** to cover extra costs in administering late payers in addition, charges for Court Dues and legal costs will be borne by the account holder. Please note that potentially these costs could amount to hundreds of pounds. This charge is allocated to the client and not the development. Please note that these charges are to cover the cost of administering late payments and are not a charge for credit.

**\*\*The level of fees is subject to increase from year to year. A copy of our current fees is available on request.**

## Additional Fees

Circumstances may arise over and above our normal day to day management which could involve extra work and may result in additional charges. Please note any proposed charges will be notified to homeowners. However, in emergencies (or in any other circumstances we think are justified) we will arrange work and recover the cost from homeowners. You will have to pay a further management fee of 10% of the total cost (before VAT) if the proposed cost per homeowner is more than £250 per work project.

## Liability

Each homeowner is responsible for ensuring their property is well maintained and they have legal obligation to ensure their property is safe for people entering or leaving. You may be a homeowner of a flat or a house that has a shared responsibility for common areas; this is therefore an extension of your own home. If you note or are aware of any defects at your property that are considered to be unsafe then you as an occupier have a responsibility to make it safe, take action if required and warn other homeowners or visitors of the hazard. Please ensure any hazards are reported to our office as soon as possible however if it is not rectified within a period of 24hrs you must contact our office again.

## **C. Financial and Charging Arrangements**

### **Common Charges Account**

These are issued either quarterly in arrears or on an annual budget basis in advance.

A budget invoice for the coming period is issued and payment terms are expressed on this. Our accounts are due for immediate payment\*\*\*. Contractors and suppliers' invoices will need to be paid on the homeowners' behalf.

**\*\*\*This does not affect your statutory rights.**

We offer payment plans on all our budgeted accounts and your charges can be spread evenly throughout the twelve months of the budget year.

If payment remains outstanding, following the issue of the account, a notice may be sent. Please refer to our Debt recovery procedures for further information. This is available on request.

Payment can be made by cheque, bank transfer, debit card on the telephone, direct debit, online or standing order. Each year a reconciliation of your Budget invoice will be made, reconciling the actual costs of the year against the budget figures. A balancing charge or credit may apply.

How we charge our management fees are covered separately in this statement. Your current charge is included in the appendix to this statement.

### **Share of Maintenance/ Repair costs**

The share allocations are detailed on your budget common charges account. The share allocation of your property is set out in your deed of conditions.

### **Common Charges Accounts Disputes**

If you are disputing any item on your account you should contact our office to discuss the matter. We may agree to allow you to withhold payment of the disputed amount until the matter has been resolved however all other items should be paid in full. It is at our discretion to allow you to withhold any part payment and all invoices must be settled on time unless written authority has been received.

### **Apportionment**

Your share of common charges is set out in the title deeds of your development. Your current common charge apportionment schedule is included in the appendix to this statement.

### **Debt Recovery Process**

Where individual homeowners do not pay for services and Park PM has to pursue those homeowners on behalf of the paying homeowners, there will be costs incurred to the development for doing so. These will be identified as 'legal cost for recovery of debt' on your invoice. In the majority of circumstances, the principal sum, legal expense and interest can be recovered via a successful pursuit of a debtor. However, Courts may cap expenses due from a debtor and often this can be less than the cost to pursue. If we do not pursue debtors, there would be insufficient funds to manage your development and provide services. In the event where sums due by a homeowner are deemed to be irrecoverable and we will be required to redistribute these sums amongst jointly liable homeowners, we will confirm any action taken to recover the charges upon request. Throughout this process we reserve the right to register a Notice of Potential Liability against a homeowner's property, the cost of which will be borne by the homeowner. This act is provided for in section 10 of the Title Conditions (Scotland) Act 2003 or section 12 of the Tenements (Scotland) Act 2004.

### **Client Money/ Funds**

The following category relates to the retention of the monies on the homeowners' behalf. In this respect we confirm that client funds are held in a separate bank account, separate from company funds.

## **Float**

Each homeowner may be required to pay a float, details of this will be written in your title deed. The float amount will either be set by the Deed of Conditions or based on the expenditure for the property. The float is a contribution to the maintenance fund and is necessary to meet ensure common expenditure incurred for the property is funded adequately.

The float is necessary to maintain the property/ development. If unpaid, it may result in the withdrawal of services or the prevention of common repairs. Where this is the case homeowners will be notified. All floats are held in non interest bearing accounts.

## **Float refunds**

Unless the Deed states otherwise, in the event of a sale of a property, or the termination of the management, the float will automatically be credited to the homeowners' final account. We can only refund floats if we have the funds to do so. If there is large development debt, this may preclude full refunds. Park PM reserve the right to use clients' credit balances to fund debt until a full collection process has been achieved. All debt in a development is funded by owners floats and is an asset of the development, not money owed to the Property Manager and PPM will not underwrite owners' debts.

## **Reserves**

Some developments operate a provision for future repair & renewal, often referred to as a sinking fund or reserve. PPM describe these as reserves. Any provision for this will be clearly shown in your budget invoice. These sums are accounted separately for capital investment in your property to prevent surprise large costs at future dates. These sums are kept in trust for the development and are not returned at sale of your property. Any reserve fund will be returned in full as per your apportionment share should you terminate the Property Manager.

## **Repair costs**

Excluding emergency and routine jobbing repairs we will contact homeowners in advance of instructing major repair work at the property. Where the amount of float held for the property is less than the specific repairs required, we may ask homeowners to provide funding in advance of us instructing a contractor to proceed. Your title deeds will provide a maximum level of expenditure that we are approved to incur for normal repair costs.

## **Major repairs**

All homeowners have an obligation to ensure their property is maintained. Where we require authorisation and advance funding to proceed with the work we will write to homeowners providing details of all estimates received and specification of the work proposed. The Tenement (Scotland) Act (2004) details legislation to allow for repairs to be instructed on the basis of a majority agreement. Your title deeds may provide for a different level of approval (through a quorum). We will not be in a position to instruct repairs on the basis without having the necessary funds in place.

These categories are dependent on funding. If we have adequate floats there should not be any difficulties however where that is not the case, we will require advance funding. The role of a Property Factor (Agent) is to organise and administer the maintenance, not finance it. PPM will charge additional fees for major works which will be notified at the time. We reserve the right to issue a Notice to Pay under The Tenements (Scotland) Act 2004 to ingather funds for major works in advance of their instruction.

## D. Communication Arrangements

### Phonecalls

All calls to our offices may be recorded or monitored for training and quality control purposes.

### New Clients

When purchasing a property, the appointed Solicitor must make the purchaser(s) aware that there is a Property Factor (Agent) in place and what the homeowners' responsibilities and liabilities are.

### Consultation Procedure:

We appreciate that there may be occasions when our standards slip below the high levels we set and have therefore developed a procedure for handling complaints which is detailed below. Any complaints relating to the contractors/suppliers will be dealt with in the same way. You may complain to us about contractors, our team, or a procedure. Please contact us at [support@parkpm.co.uk](mailto:support@parkpm.co.uk) or by telephone: 0141 354 6536 (ask for customer service) if you have any concerns or complaints. A complaint form will be supplied for you to fill in and return.

Our complaint process has three stages which must be followed:

Stage 1: complaint to our customer services team for consideration. Please fill out the form that is provided on request. Send to: Park PM, Customer Services, Stage 1 Complaint, 11 Somerset Place, Glasgow, G3 7JT or email [support@parkpm.co.uk](mailto:support@parkpm.co.uk)

Stage 2: Appeal of complaint to our "Head of Residential Property Management". Please fill out the form that is provided on request. Send to: Park PM, Customer Services, Stage 2 Complaint, 11 Somerset Place, Glasgow, G3 7JT or email [support@parkpm.co.uk](mailto:support@parkpm.co.uk)

Stage 3: Appeal to the **Housing and Property Chamber, First-tier Tribunal for Scotland**, Glasgow Tribunals Centre, 20 York Street, Glasgow, G2 8GT

A full copy of our complaint procedure is available on request.

## E. Declaration of Interest

We will tell you about any financial or ownership interest we have in property that we manage for you. We do not have any financial or other interest in any contractors we appoint on your behalf.

### Approved Contractors/ Suppliers

We work with an approved list of Contractors/ Suppliers. These independent companies must maintain a high level of service to comply with our criteria and to remain on our Approved List. As we cannot check all repairs, we rely on feedback from our clients to monitor their performance. Our criteria includes an assessment of competence, a requirement to provide documents such as public liability and, where applicable, Health and Safety statements. Our criteria also state that contractors' should ensure adequate supervision during the works and that a final inspection of the work carried out is undertaken by a suitably qualified person.

We have no financial or business interest in any contractors/suppliers appointed by Park Property Management on behalf of homeowners. Furthermore, we do not receive any inducements from the contractors appointed to carry out maintenance on the homeowners' behalf. The cost detailed on our common charge accounts is the amount invoiced by the contractor.

## **F. How to End the Arrangement**

### **Changing Property Factor (Agent)**

If homeowners are dissatisfied with the level of service we provide and wish to consider terminating our management service, owners retain the right to dismiss Park Property Management as factors with reference to their title deeds, and the Title Conditions (Scotland) Act 2003 or the Tenements (Scotland) Act 2004. Please contact us if you are considering this, to allow us to guide you through the process.

Park PM may also resign from a development to assist owners in placing a more suitable factor.

Park PM require a minimum notice period of three full calendar months to allow a smooth handover of the management.

Park Property retain the right to transfer their rights and obligations under this Factoring Agreement to a third party to act as Factor, should Park Property, in its sole discretion, deem it appropriate.

Should PPM be removed in the middle of a budget period, PPM reserve the right to also charge the full management fee for that period.

An account closure fee will apply in all circumstances.

All costs associated with the end of our arrangement will be borne by homeowners.

Our current fees for terminating a development are available on request.