



RIGHT TO MANAGE

'The Right To Manage'
It's your right – Don't throw it away

The Commonhold and Leasehold Reform Act 2002 is legislation which provides an opportunity for the flat owners, to run their own affairs and to make own decisions about the management and upkeep of their flats, including the insurance, repairs, service charges etc. by means of The Right To Manage 'RTM'.

The landlord's consent is not required & even where Landlords may be absent the Leaseholders should be able to secure the management via RTM. There is no need to prove mismanagement by the landlord or the current managing agent to implement the right. Basically it means that the lessees (via what is known as an RTM Company we would set up on their behalf) have control & in a number of cases will no doubt save considerable sums on repairs, maintenance, management fees, insurance premiums etc, & possibly enhance the saleability & value of their property.

Where there are multiple blocks within the development a separate RTM Company would be formed & Notices served separately in respect of each block as this is the requirement of the legislation

Where the landlord has collected service charges in advance but not yet spent them all and is hold remainder in a trust account, he is under an obligation to hand over all the unspent sums including any reserve account or sinking fund, so any monies that you have are held by the Landlord are required to be returned to you. 'Management functions' are 'functions with respect to services, repairs, maintenance, improvements, ins and management'. These would usually include;

- repairs, redecorations and maintenance of the structure of the building and the common parts
- services such as lighting, cleaning, gardening etc. where appropriate
- insuring the building
- collection of service charges, accounting etc

How we can help

We have had direct experience in property management, leasehold property etc. for over 20 years & have many experiences of Landlords levying high service demands, carrying out either unnecessary or simply inappropriate repairs which were estimated at exorbitant costs & levied service charge demands for thousands of pounds. We believe that the formation of an RTM Company forcing the management to be taken away from the Landlord would, in these circumstances, save sig sums of money & possibly also increase the saleability of your properties. Likewise, it may well be that your Landlord / management company simply are not 'maintaining the building' & therefore the lessees having control will mean that things get done when they should & in a manner determined by them. Where the landlord has collected service charges in advance but not yet spent them all and is holding the remainder in a trust account, he is under an obligation to hand over all the uncommitted sums in any reserve account or sinking fund, so any monies that you have paid & are held by the Landlord are required to be returned to the RTM Company. Even for those blocks that may have the management rights, an RTM Company also allows for the insurance of the building to be taken away from the Landlord. There could be significant benefits to such insurance being placed in the 'open market' rather than at the choice of the Landlord who may not fully have the interests of the Lessees at heart. However, as with the majority of legislation for the inexperienced it can be a complex task & procedures must be followed exactly as laid down, otherwise the management will be secured. There are various Notices which may need to be prepared / completed (some being in a prescribed form) & served upon which strict time limits apply. If the limits are not followed then the application will automatically fail. In addition a specific RTM Company needs to be correctly formed. If done incorrectly this could result in the application being unsuccessful with costs still payable to the Landlord regardless of success or not.

Qualification Requirements

- The building must be self-contained (or if part of another building, be capable of being redeveloped independently); and must include at least two flats
- At least two-thirds of the flats in the building must be let to 'qualifying tenants'*;
- The building can be part-commercial but the non-residential part must not exceed 25% of the total floor area.
- *A 'qualifying tenant' is a leaseholder whose lease was originally granted for an original term of more than 21 years.
- There is no requirement for any past or present residence in the flats, nor any limit on the number of flats which can be owned by one person.
- The right to manage may only be exercised by a right to manage company and the members of the RTM company must comprise a sufficient number of qualifying tenants.
- The required minimum number of qualifying tenants must be equal to at least half the total number of flats in the building although where there are flats in a building both must participate & be members of the RTM Company

N.B. - The Right To Manage cannot be exercised where a local housing authority is the immediate landlord of any of the qualifying tenants of flats contained in the premises

Our Charges & Services

Our fees are fixed and calculated on a 'per flat' basis, based on the total number of flats in the building & all are subject to VAT at the prevailing rate. All charges are specified in writing to you and are fixed. We do not charge an hourly rate for this service so leaseholders know exactly where they stand regarding our fees from the very outset.

We would request from the Lessees the basic information needed for us to prepare the necessary paperwork. In addition to preparation we will also serve the various Notices required. We will deal with the formation of the RTM Company which includes completing the forms for you. Upon instructions, we will send you a form to provide us with the basic information required. This website is not meant to describe or give a full interpretation of the law, nor does it cover every case. If you are in any doubt about your rights and duties then seek specific advice. Lessees exercising this right, by law will be responsible for the Landlords 'reasonable' costs



TERMS & CONDITIONS

1. No material supplied by us at any time or material from this website or any other website operated, licensed, owned, or controlled by us may be republished reproduced, copied, uploaded, transmitted, or distributed in any way, save for your own personal, non-commercial use. We make no representation that anything contained are appropriate or available for use in particular outside of England or Wales. This website and any assistance / information / advice we provide are not meant to describe or give a full interpretation of the law; only the courts can do that. Nor does it cover every case. If you are in any doubt about your rights and duties then see specific advice. We are unable to guarantee the outcome of serving an Initial Notice of Claim upon the Landlord or any subsequent application to The First-tier Tribunal that may separately be made either by us or by you or your client at a later date.
2. Whilst we use reasonable efforts to include accurate and up to date information we make no warranties or representations thereto. Legislation is regularly changing and or being amended. No responsibility can be accepted by us for any omission or error relative to any Notices that you or your client prepare & or serve no matter how such error or omission arose and you hereby agree not to rely on any of the information contained herein or provided. Under no circumstances, shall we be liable for your reliance on any such information nor shall we be liable for any direct, indirect, consequential damages that result from the use of, or the inability to use, this any other material provided.
3. We reserve the right to refuse to act for any individual / body should we so wish and will not be obliged to provide any reasons or explanations for so doing. We also reserve the rights to alter or delete material at any time and may, at any time, revise the terms of this Agreement by updating this website. You are bound by any such revision and should therefore frequently visit this section to check the terms of Agreement. By viewing and or using this / these website(s) as you signify your agreement & acceptance to these terms. If you do not agree to please do not use this / these website(s).
4. Where we have specifically confirmed fees in writing to you following which there is then a revision of fees, then the terms stated to you will continue to apply for month following our letter even if there has been an increase since that time. However, should you not have instructed us within the 1 month period stated and our fee are reviewed then we reserve the right to increase our fees in line with the current charges although it is of course entirely up to you whether you accept such revision.
5. We will only use the information that we collect about you in accordance with the Data Protection Act. We collect your name, address, telephone number & e-ma address in order to provide you with the best possible service & will not contact you in the future if you ask us not to do so.
6. Where we state that we will make an application to The First-tier Tribunal this solely relates to preparing and submitting the

7. Any instruction received cannot be accepted on a time conditional basis. Therefore we are not responsible in any way for any loss / losses you may incur or the resulting increase in premium or value thereof, either directly or indirectly as a result of any Notice not being served or received by a specific date.

8. Unless otherwise specifically requested it is our normal procedure to serve all Notices by first class post with a Certificate of Posting.

9. Where the fees quoted include the formation and incorporation of a Company (be that RTM or otherwise) are on the strict understanding that all and any lessees are capable of being admitted as a member / shareholder thereof & we cannot be held responsible if either this is not possible or for any additional charges made due to adjustments required to Memorandum & Articles of Association to vary them to adapt to specific unusual circumstances. Should a flat sell, where the owner is a Member of the RTM Company, prior to the Notice of Claim having been served then an additional charge would apply in respect of our charges to prepare the paperwork in respect of the admission of the new flat owner. Furthermore the Notice of Claim cannot be served whilst the previous flat owner is a Member of the RTM Company and we rely upon our instructing officer / RTM Company to notify us in the event of any such changes to the ownership of any of the flats in a timely manner.

10. It is considered that these terms & conditions are accepted, together with any others that may be on any correspondence / forms that are sent to you upon you returning a completed form instructing us with any matter regardless as to whether that form has been physically signed or not.

11. Whilst we will always try to be as accommodating as possible, should any matter be significantly delayed by the client for any period of more than 3 month following us being instructed, then we reserve the right not to be obliged to proceed or liable to proceed any further without any responsibility or liability to return an fees. Where we are prepared to continue the process then further fees may apply than those initially agreed.

12. It is a condition of our terms that prior to you signing or approving any Notice prepared by us that you have thoroughly read and understood all and any documentation in any format provided to you by us as this contains important information and that you thoroughly check & satisfy yourself as to the accuracy & content in all respects of any Notice(s) and associated documentation prepared which will be provided to you for you to approve and it is an explicit condition of our appointment that your approval thereof removes any liability or responsibility upon us in all & any respect for any error contained, detailed, missing or otherwise therein and you appointment for us to act on your behalf is conditional upon acceptance & agreement to these terms.

13. If you have any questions/comments about privacy, you should e-mail us at the address provided in the 'contact us' section of this website. This site, is owned and operated by 'The Leasehold Advice Centre', Lee House, Northcote Lane, Shamley Green, Nr. Guildford, Surrey GU5 0RB, a trading name of 'Bazin Estate Agent which may be referred to as "The Company", "The Leasehold Advice Centre" "we," "us," or "our". We would also like to make it clear that we are not connected, in any way, with 'The Leasehold Advisory Service' otherwise known as 'LEASE'.

14. All and any payments made by to us are not refundable at any time even if you subsequently decide at any time not to proceed further with the matter. It is part of our terms and conditions that anyone instructing us will thoroughly read & follow all the information we supply. This contains important information about what is to be done following the service of Notices relative to Lease Extensions, Right To Manage & Collective Enfranchisement over which strict time limits apply which, if no followed could invalidate the Claim. It is your responsibility to ensure that such procedures are correctly followed after any Notice is served by us. If you wish us to assist following the service of a Notice we may be prepared to do so and we would provide you with details as to any fee payable relative thereto. However, we cannot act without your instructions and it is your responsibility to contact us within a reasonable time in order for us to take any appropriate steps within the appropriate time limits.

15. We may display in a variety of ways selective summarised comments about our services provided or comments regarding our website. In so doing we will not give any information such as full names or addresses from the people who made such comments. In providing feedback to us you are agreeing to allow us to display the same in such ways as we consider appropriate and will raise no objection relative thereto. Any comments made are done so strictly at our discretion.

16. Please note that we do not return copy documents to you so please ensure anything that is sent to us is not subsequently then required by you.