

Right to Manage the easy way



Your Right to Manage

A large number of flat leaseholders in the UK do not own the freehold and are frustrated with having no say or little control over the day to day management of the block. The Commonhold and Leasehold Reform Act 2002 provides a right for leaseholders to force the transfer of the landlord's management functions to a special company set up by them - the right to manage company. The right was introduced, not just as a means of wresting control from bad landlords, but also to empower leaseholders, who generally hold the majority of value in the property, to take responsibility for the management of their block.

The law states, that if half of the owners in a block of flats want to change management of the block, or manage it themselves through a managing agent, then providing they comply with the legal formalities, there is no reason why they cannot do so.

The process is relatively simple. The landlord's consent is not required, nor is any order of the court. There is no need for the lease-holders to prove mismanagement by the landlord. The right is available, whether the landlord's management has been good, bad or indifferent.

Vision RTM has helped hundreds of leaseholders over the last few years. We have set up numerous Right to Manage Companies and we estimate that we have saved leaseholders hundreds in service charges in their first year alone. We can also commit to the fact that once leaseholders are involved and have a say in how their block is run they see major improvements in the maintenance of the building making it a better place to live.



“We can take care of the entire planning process for you...on a no win no fee basis”

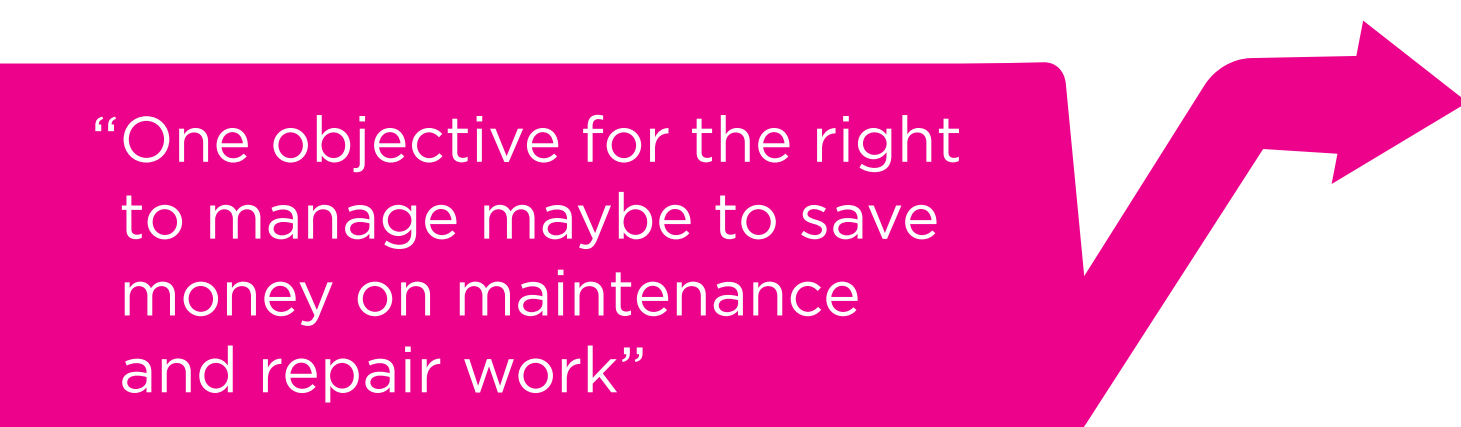
Why set up a right to manage company?

With today's current economic climate, it only makes sense to look more closely at what you are paying in service charges for your flat and to make sure you are not being over charged excessively on services provided. There is of course a natural conflict of interest between the person that arranges services (the freeholder) and the person that pays (the leaseholder- you). Frequently this difference is a major factor that makes groups of leaseholders take their destiny into their own hands by doing the right to manage process.

One objective for the right to manage may be to save money or control the cost of maintenance and repair work which has been very high under the previous agent. The saving of costs must be balanced with good service and a need to keep the property in a good condition.

A different objective may simply be to improve the quality of the services at your block. Subject to the terms of the Lease, flat owners can make decisions controlling how the blocks are managed, for example how often the communal part areas are cleaned, etc. The responsibility and decision making transfers from the Landlord or his nominated agent, and the practical day to day management of the building will be entrusted to the RTM company.

A right to manage will give you a say in managing your own block, reducing costs and improving the quality of how your block is managed.



“One objective for the right to manage maybe to save money on maintenance and repair work”

Responsibilities of an RTM

There are many responsibilities inherited by the RTM when taking over the management of your block, and these need to be carefully considered. RTM does not necessarily mean self-management. At its most basic, the right to manage is simply a transfer of responsibility and decision-making. There is only a transfer in the practical day-to-day management of the building if the RTM company decides there should be. Leaseholders should not be tempted to view RTM just as a route to do-it-yourself management, although this is, of course, an option.

Clearly, it makes sense for the leaseholders to take general control of the upkeep of their most valuable assets - the flats - but to do so will bring with it duties and liabilities. In acquiring the power to make approvals and to enforce of the covenants of the leases, the leaseholders become wholly responsible for all decision-making in terms of budgets and reserve funds, standards of management and provision of services, repairs and major works, and with the overall function of the building.

- 1** The directors and the RTM company are legally required to comply with various laws. This might be Company law, health and safety requirements or housing law. Vision RTM will ensure that the company is properly advised and our management service will ensure you legally comply.
- 2** Once the RTM company is set up, the way in which the RTM is run will be open for all to see.
The whole point of forming the RTM is for the block to be run in a cost efficient manner which also improves the quality of the service that was previously provided. Our Vision RTM service will hold (web cam, email, telephone conferencing or personal attendance)

regular meetings with all Leaseholders who want to be actively involved in the management of the block and prepare them for their responsibilities as members of the RTM company.

- 3** The RTM Company must have Directors. Anyone that simply wishes to be appointed as a director of the RTM will have the normal duties and legal responsibilities of company director. Vision RTM will guide and deal with this responsibility.
- 4** You have to live with your neighbours. There may be certain issues that you would prefer not to deal with directly but through an independent third party in which you can be objective and take the emotion out of the situation. Vision can offer you its Property & Estate management service which can help you with this. Unless the building is small (no more than, say, six flats) the day-to-day management may be best left to a professional managing agent. Management is a job which requires certain skills and experience and carries with it great responsibility.
- 5** The RTM Company must adopt a responsible attitude to the long-term maintenance aspects - the building remains in the landlord's ownership and the flats remain the leaseholders' principal financial assets. The RTM company cannot save money by reducing essential services or by allowing the block to deteriorate. The covenants in the lease (which will not be changed in the exercise of the right) should specify service provision and require the property to be maintained as it becomes necessary, not when convenient.

What is required for us to qualify for the right to manage?

There are three conditions:

- 1** at least half of the flat owners must want to do this
- 2** at least 75% of the building must be residential
- 3** at least two-thirds of the flat owners must have long leases.

If your block fulfils these criteria then it is highly likely you will be able to go through the right to manage process with 100% success. There are a small number of technical legalities which can prevent some blocks going through the right to manage process and so you should discuss with our sales team beforehand whether to progress your claim as one right to manage claim or several for your complex.

If you find you are ineligible for the right to manage legislation, but are having problems with your managing agent, please contact the Lease Advisory Service who can provide valuable help and guidance on all matters relating to leasehold property.

From the date of incorporation of the RTM Company, the process takes 6-7 months, providing you can get at least half of the flat owners to sign up within two weeks of incorporation. If they have signed up before you decide to incorporate, then it takes just over 20 weeks from incorporation.



“We can act as nominee directors and company secretary acting in accordance with your instructions”

Why choose Vision RTM

Upto Date Legislation process checked for compliance with The Right to Manage (Prescribed Particulars and Forms) (England) Regulations 2010 (No. 825).

Upto Date Legislation process checked for compliance with the Companies Act 2006 (c.46).

Full Directors Register to Comply with 2006 Companies Act.

We offer a full personal advice service for the Right to Manage process. Just call 08454568775 or email info@visionmanagementuk.com

99% Success - 99% of our Right to Manage claims have resulted in success for our clients.

Online Updates - We provide online updates and advise you by email if the claim is successful or if an application to the LVT is required.

Qualified Legal Staff - Our LVT applications are prepared by qualified barristers who are specialists in this area and we provide staff who attends the right to manage determination hearings on your behalf to ensure you have the best chances.

We are the fastest - our automated process guarantees that no time is lost from start to finish.

We are the best - our automated system reduces the risk of human error in the legal process.

Costs of an RTM

We charge a flat rate fee of **£50 + VAT per flat** for administering the entire Right to Manage process from beginning to end, with a minimum fee of **£600 + VAT** per block.

For blocks that have more than 10 flats we can work on a **no win no fee basis, please** call us today to discuss on 0845 456 8775.

Contact Us

Call a member of the team on 0845 456 8775 or write to us at:

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Alternatively, you can email us on info@visionmanagementuk.com

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www.visionmanagementuk.com