



PRESS  
INFORMATION

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## **REALITIES OF GOOD MANAGEMENT**

Customer service and redress, proper accounting and fire risk assessments were three of the key issues covered at a conference on residential long leasehold management held on 15.10.09 at the QEII Conference Centre in Westminster.

Over 500 property managers, accountants, lawyers and directors of residents management companies attended this 14<sup>th</sup> Annual Conference run by the Association of Residential Managing Agents (ARMA). Government and other trade and professional bodies' representatives were also present.

### **CUSTOMER REDRESS**

Brett Williams, ARMA's chairman, opened his address by reporting to the delegates on an increase in complaints against members. "Now, whatever the reason for this we need to demonstrate a robust redress system", stated Williams. "At our AGM yesterday we discussed this and are introducing stricter checks on members own in-house complaints handling and looking to sign up members, under our Bye Laws, to the Surveyors Ombudsman Service (SOS). While we will be writing to all members on this we are fortunate to have Baroness Jones speaking today as chair of SOS".

"Belonging to an Ombudsman scheme is a fundamental building block for a regulatory or licensing regime", continued Williams, "and this afternoon Simon Llewellyn from

Communities and Local Government will tell us how the government is viewing such a regime. You will know that ARMA has been calling for this for a number of years now”.

## **POP-UP MANAGERS**

Williams said “it is pleasing to see that ARMA’s membership continues to grow and of note is the number of lettings and estate agents enquiring about membership, with at least one estate agent saying: ‘We would like to benefit from membership of a more specialised organisation””.

However, Williams was concerned that, during this ‘crunch’, inexperienced and unqualified individuals will “try their hand at” leasehold management. “The last thing we need are ‘pop-up’ managers who may then disappear when their own sector becomes more viable again”.

## **TRANSPARENCY**

Turning to the subject of financial transparency Williams saw that “transparency of fees and insurance commissions has been a hot topic over the last year and more. We are lucky to have ARMA members on the Royal Institution of Chartered Surveyors’ Transparency Working Group. We need not worry about transparency, it should be a good thing to ensure a more level playing field for competition, to ensure that our clients understand the way we are remunerated and that our customers understand what they are paying for. It should not however, involve us in onerous levels of disclosure. I am sure that the Working Group will come up with sensible solutions to meet the needs of all parties”.

## **LETTINGS**

Williams went on to explain that “ARMA aims to be an outward looking Association providing various publications for the professionals in the sector and lessees alike. One of our latest initiatives is a Code (hopefully to be adopted by the whole residential sector) on Lettings in Leasehold – our research shows that this is a real issue for block property managers. For example a recent survey of members showed 54% of respondents had at least one block that is 100% sub-let. We are sure there are issues the other way round too, so we are planning to liaise with relevant landlord, trade and professional bodies.”

“We also are in the throws of producing a property managers’ guide to fire risk assessments which, in light of recent events, we will be making available to any organisation that has responsibility for the management of blocks of flats.”

## **CHANGES TO SERVICE CHARGE ACCOUNTING**

The Conference also heard from ARMA’s chief executive, David Hewett, on the imminent new accounting regulations for the protection and accountability of lessee service charge funds.” There will be a requirement to hold such funds in designated bank accounts and a prescribed form of annual service charge accounts will have to be issued within six months of the year end” announced Hewett. “We really welcome these new regulations (which are due to come in on 6.4.10) as it is vital that lessees have a clear idea as to where their money is being held and how it is being spent.”

The Conference ended with a panel session chaired by TV property presenter, Martin Roberts. The panel made up of lessees, landlords and property managers also included Tony Essien chief executive of LEASE, the government-funded Leasehold Advisory Service.

- ENDS -

Words: 720

## NOTES TO EDITOR

1. For further press information contact David Hewett on 020 7622 6123 or [david@arma.org.uk](mailto:david@arma.org.uk)
2. Pics of the event available on request
3. Formed in 1991, ARMA is the only body in England and Wales to focus exclusively on matters relating to the block or estate management of long leasehold residential property. With over 225 corporate members managing in excess of 850,000 units in more than 34,000 blocks of flats or estates (at least 60% of which are lessee-controlled properties), the Association's founding principal aims are to represent its members and the interests of lessees, resident management companies and investor freeholders.